

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**(Prepared Pursuant to GASB Statement No. 34  
"New Financial Reporting Model")**

**AS OF AND FOR THE YEAR ENDED JUNE 30, 2000**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 01-10-01

**Linda West**  
**President**

**Richard A. Schwartz**  
**Superintendent**

**William L. Endris, Jr.**  
**Director of Finance**

**Prepared by the Department of Finance**

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# INTRODUCTORY SECTION

President  
Linda West

Superintendent  
Richard A. Schwartz

Vice-President  
B.R. Harvey

## Vernon Parish School Board

201 Belview Road  
LEESVILLE, LOUISIANA 71446  
(337) 239-3401  
Fax (337) 238-5777

### BOARD MEMBERS:

District One  
A.C. "Chuck" Dowden, Jr.  
M. Gene Haymon  
Jane Holton  
C.A. Hughes  
Ted Paris  
Kim Reese  
Mark H. Smith  
Linda West  
Betty Westerchil

District Two  
W.W. "Bill" Parker

District Three  
Willis A. Farris

District Four  
Murphy O'Banion

District Five  
B.R. Harvey

District Six  
Philip L. Gunn

District Seven  
Gaye McKee

### Transmittal Letter

November 15, 2000

Ms. Linda West, President  
and Members of the Board  
Vernon Parish School Board  
Leesville, Louisiana

Dear President and Members of the Board:

The Comprehensive Annual Financial Report of the Vernon Parish School Board (School Board) for the year ended June 30, 2000, is submitted herewith. This report has been prepared by Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada. The School Board has elected early implementation of Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement No. 34 requires a Management's Discussion and Analysis (MD&A) be included as required supplemental information.

**A. Management Responsibility** Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

**B. CAFR** The Comprehensive Annual Financial Report (CAFR) consists of three parts:

(1) The Introductory Section. This section includes a transmittal letter, announcement, two articles, information on financial reporting achievements, the School Board's organizational chart, recognition of the elected officials of the School Board and a list of selected administrative officials.

(2) The Financial Section. The financial section consists of Management's Discussion and Analysis, basic financial statements, required supplemental information, and combining and individual fund statements and schedules. The basic financial statements present both an overview and a broad long-term perspective of the School Board as a whole in the government-wide financial statements.

Combining statements are presented when a School Board has at least one nonmajor fund of a given fund category. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.

"An Equal Opportunity Employer"



(3) The Statistical Section. Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Vernon Parish School Board for the past ten years.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditor's reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels K through 12. These include providing instructional personnel, instructional materials, instructional facilities, child nutrition, administrative support, business services, systems operations, plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

**C. Reporting Entity** The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Vernon Parish School Board (the primary government). Based on the above criteria there are no component units included in the School Board's reporting entity.

**D. Internal Control** Management of the School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2000, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

**E. Budgetary Controls** In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget enacted require School Board approval.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

**F. Cash Management** Cash temporarily idle during the year was invested in demand deposits and the Louisiana Asset Management Pool (LAMP) administered by the state Treasurer. The School Board earned interest revenue of \$484,683 on all investments for the year ended June 30, 2000.

The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits in financial institutions were collateralized by instruments issued by the United States Government or federal government agencies created by an act of congress or insured by the Federal Deposit Insurance Corporation.

**G. Risk Management** The School Board maintains a combination of self-insurance and stop-loss coverage for workers' compensation insurance. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$200,000.

**H. Independent Audits** The report of our independent certified public accountants, Allen, Green & Company, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with generally accepted auditing standards and, accordingly, included a review of the School Board's system of budgetary and accounting controls.



**I. Awards** The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. These certificates are valid for a period of one year only. The School Board was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the years ended June 30, 1998 and 1999.



The School Board received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the fiscal years ended June 30, 1998 and 1999. The awards certified that the Comprehensive Annual Financial Report for the fiscal years ended June 30, 1998 and 1999, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

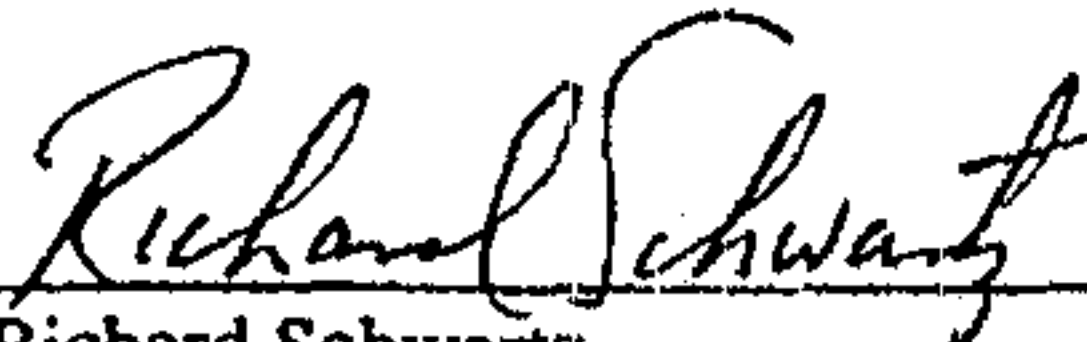
**J. Acknowledgments** The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.

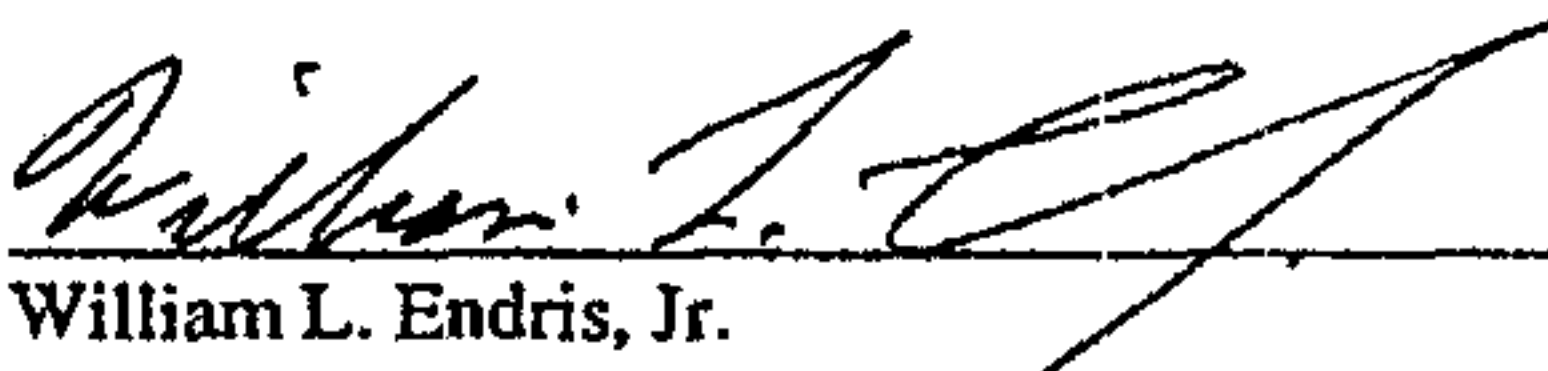
**K. Service Efforts and Accomplishments**

- The School Board was ecstatic when notified by ASBO that the School Board's 1999 CAFR was the First CAFR submitted to ASBO prepared pursuant to GASB Statement No. 34 "New Financial Reporting Model." A copy of the announcement immediately follows this transmittal letter.



- The School Board was equally proud of the Director of Finance co-authoring two articles titled *"Sharpen Your Pencils and Roll Up Your Sleeves: A Case Study in Implementing GASB's New Financial Reporting Model"* and *"Asphalt, Fleets, Bricks, and Mortar."* Both articles were published in ASBO's "School Business Affairs" sharing with ASBO members the School Board's implementation experience of GASB Statement No. 34. Both articles follow this transmittal letter.
- The *Louisiana Classroom Based Technology Fund (CBTF)* and the *Technology Literacy Challenge Fund* have both been used to further the goals of the Vernon Parish Technology Plan. All classrooms are wired for the Internet. A technology department has been established. The In Tech model for technology has been adopted.
- The *K-3 Reading and Mathematics Initiative* has impacted our efforts to assure that every child is able to read on grade level and utilize mathematics concepts on level by the end of the third grade. After-school and summer tutoring programs are meeting the needs of our at-risk learners.
- All schools have developed comprehensive improvement plans to provide direction for future curriculum, staff development, assessment, and technology improvements. To support these comprehensive school plans, our central office staff developed district improvement plans. Our School Board supported all the plans by developing its own strategic goals. Much progress has been made in meeting the objectives addressed in these plans.
- All new teachers to our system were given two days of intensive induction. The teachers received training in classroom management, parish and state policies, and special programs appropriate for their grade levels and/or their subject area.
- The State of Louisiana has implemented "Ready For Results," a high stakes testing policy. Teachers are working to prepare students for tests, which are rigorous, standards-driven, and high stakes for students.
- The accountability program also includes school performance scores, which evaluate the effectiveness of school's implementation of new standards and curricula. During the first year of the program the Vernon Parish Schools were among the highest in the state.
- Vernon Parish cares about education and has a tradition of pride in its schools. That tradition will be continued through a commitment to innovation in learning programs. We must continue to seek out new methods to ensure success for every student.
- Vernon Parish School Board receives federal Impact Aid funding due to the Fort Polk military installation being located in Vernon Parish. The amount of aid received can fluctuate. This uncertainty provides a challenge in addressing the problems shared by many school systems across America - teachers' salaries and school plant improvement. Effective and decisive leadership will be required to address these problems given the fluctuation in Impact Aid funding.

  
 Richard Schwartz  
 Superintendent

  
 William L. Endris, Jr.  
 Director of Finance



## Association of School Business Officials International

11401 North Shore Drive, Reston, VA 20190-4200  
703/478-0405 • Fax 703/478-0205 • [www.asbointl.org](http://www.asbointl.org)

October 24, 2000

Mr. William L. Endris, Jr.  
Director of Finance  
Vernon Parish School Board  
201 Belview Road  
Leesville, LA 71446

Dear Mr. Endris:

Congratulations! The Association of School Business Officials (ASBO) International is pleased to inform you that Vernon Parish School Board has received ASBO's Certificate of Excellence in Financial Reporting Award for its Comprehensive Annual Financial Report (CAFR) for fiscal year end 1999. The award represents a significant achievement by Vernon Parish School Board and reflects your commitment to the highest standards of school system financial reporting.

I want to congratulate you on being the first school system in the United States to receive the Certificate of Excellence for a Comprehensive Annual Financial Report using the new financial reporting model known as GASB Statement 34. You are setting a standard for other school systems to follow. You should be proud of this accomplishment.

The Certificate of Excellence review panel has provided the enclosed comments about your CAFR. It is important to keep these comments for the preparation of your fiscal year end 2000 CAFR and application materials for ASBO's Certificate of Excellence in Financial Reporting Program.

A sample press release you may use for publicity purposes is also enclosed. Your engraved Certificate of Excellence award plaque and certificate will be forwarded to you in approximately 4-6 weeks. Congratulations to you and the members of your staff who worked so hard to earn the Certificate of Excellence in Financial Reporting Award.

Sincerely,

Don I. Tharpe, Ed.D.  
Executive Director

DIT:lp

Enclosures



*Celebrating 90 Years of Service to the School Business Management Profession*





# Sharpen Your Pencils and Roll Up Your Sleeves: A Case Study in Implementing GASB's New Financial Reporting Model

By Tim Green, CPA, Margie E. Williamson, CPA, and William L. Endris, Jr.

**T**he Vernon Parish (Louisiana) School Board (district) early implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* (GASB 34), for the fiscal year ending June 30, 1999. This article explains that experience and provides a lesson plan for others facing the same assignment. An article in the

October 1999 edition of *School Business Affairs* explains the provisions of GASB 34.

## Summary of Experience

Implementing GASB 34 was not only mentally challenging, it also required a large, tedious accounting effort. GASB 34 (commonly referred to as the "new financial reporting model") requires that the governmentwide financial state-

ments use the economic resources measurement focus and accrual basis of accounting. The district did not enter the adjustments from modified accrual to accrual in its accounting records. A large part of our implementation challenge concerned capital assets.

The resulting comprehensive annual financial report (CAFR) was more informative yet more daunting than it had previously been. The readers of the district's report





will need time to understand it and to establish benchmarks for grading the district's performance from year to year and for comparing that performance with that of other districts. Both the management's discussion and analysis (MD&A) and the governmentwide financial statement are enlightening and a substantial enhancement to the financial report.

Implementing GASB 34 was a great team effort between the district's department of finance and its independent auditors, with assistance from the Office of the Louisiana Legislative Auditor. The endeavor was hard work but brought pride of accomplishment and fabulous media recognition. Special thanks go to the district's superintendent and board for their support.

Our discussion of the issues we faced and the ways in which we resolved them is intended to be informative only, not directional. Each district will face myriad issues and may need to solve the ones we discuss differently from the way we did, depending on particular facts, circumstances, and materiality.

## Background

The district is the sole public school system in rural Vernon Parish. It has a student population of 10,000, 19 school buildings, and a central office building. The district reports approximately 40 funds in its CAFR, but has no component units or proprietary funds. Allen, Green & Company, LLP, has been the district's auditors for the past 8 years. The district recently received ASBO's Certificate of Excellence in Financial Reporting for its 1999 CAFR.

## Reasons for Early Implementation

The district was not required to implement GASB 34 until fiscal year ending 2003. (An individual district's implementation date ranges from fiscal year ending 2002



*Tim Green, CPA, partner, Allen, Green & Company, LLP, Monroe, LA; Richard Schwartz, superintendent, Vernon Parish School Board, Leesville, LA; William L. Endris, Jr., director of finance, Vernon Parish School Board, Leesville, LA; and Margie E. Williamson, CPA, partner, Allen, Green & Company, LLP, Monroe, LA work on the GASB 34 implementation.*

to fiscal year ending 2004, depending on the amount of its revenues in fiscal year ending 2000 and depending on whether it is a component of another government.) However, the director of finance liked the audi-

of the audit firm had served on the American Institute of Certified Public Accountants (AICPA) Governmental Accounting and Auditing Committee during the last 5 years of debate on GASB 34. That background made implementation less daunting than it might have been for many preparers and auditors. Also, with that background, the district decided to outsource much of the initial implementation work to the auditors, with the district becoming substantially more involved in subsequent years.

Even with a strong background in the particulars of the new financial reporting model, much homework was needed. Our primary chores related to the MD&A, fund classifications, and converting accounting data from modified accrual to accrual.

Developing the district's MD&A involved overhauling the municipal MD&A illustrated in GASB 34 to fit a school district. Since the district's CAFR was issued, illustrative MD&As for school districts have

been issued in the GASB staff's *Guide to Implementation of GASB Statement No. 34 on Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Questions and Answers (GASB 34 Q&A)* and ASBO International's *Statement 34 Implementation Recommendations for School Districts*.

We had to evaluate the child nutrition and student activity funds in light of the new definitions included in GASB 34 for enterprise funds and agency funds, respectively. GASB 34 permits any activity that charges a fee to external users to be reported as an enterprise fund. It also requires an activity to be reported as an enterprise fund if the activity's principal revenue source meets any one of the following criteria:

- The revenue source is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
- Laws or regulations require that the activity's cost of providing

*Implementing GASB 34 was not only mentally challenging, it also required a large, tedious accounting effort.*

tors' suggestion of early implementation. There was appeal in giving back to the school business official profession by providing a report example and communicating to others the issues encountered, thus easing the burden for those who followed. Also, the district might receive favorable recognition for leadership in government accounting and financial reporting and good stewardship of public dollars.

## Homework

The district's auditors were familiar with GASB 34, having testified at two of the GASB public hearings on the project. Also, a member



services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.

- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

The district concluded that its child nutrition program did not meet the definition requiring reporting as an enterprise fund. That was because the amount of reimbursement the district receives from the federal government for each free or reduced meal served is set nationally and federal regulations generally prohibit the district from expending child nutrition funds for land and buildings. In addition, the program's fees and charges are not set to cover equipment, land, or building costs. The program was reported as a special revenue fund.

We also deliberated the more restrictive definition of agency funds. The issue was whether the district's student activity funds should be special revenue or agency funds. Are assets held strictly in a custodial or fiduciary capacity? Does the fund include assets that will be forwarded to another fund of the district? The district concluded that its student activity funds should continue to be reported as agency funds because of certain Louisiana statutory requirements. For example, budgeting is not required for agency funds, whereas all special revenue funds must be budgeted; a separate bank account for student activity funds is required; and the school principals are responsible for the custody and operating practices of the student activity funds. However, in some states, districts collect and disburse student activity funds at the central office and prepare budgets for the student activity funds, and if unused at year-end, the monies revert to the district's general fund. In those situations, the student activity funds may be more appropriately

reported as special revenue funds.

We also had to determine the accounting differences between the current resources measurement focus-modified basis of accounting and the economic resources measurement focus-accrual basis of accounting for the activities reported in the government funds. Some differences were fairly obvious: capital outlay versus depreciation expense, principal payments on debt, and interest expense recognized when due versus accrued daily. Other differ-

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***GASB 34 tweaks the traditional fund-based financial statements by replacing the fund type display for government and enterprise funds with columnar displays of the main operating fund (the general fund) and other major funds.***

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ences were more subtle: revenue recognition when measurable and available versus when earned (or otherwise accruable), liability recognition when due and payable versus when incurred, and gain or loss on the sale of capital assets versus proceeds from the sale. GASB 34 provides examples of the accounting differences between the governmentwide financial statements and the government fund financial statements. The district also implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* (GASB 33). Beyond the specific examples provided in GASB 34 and GASB 33, we examined other significant revenue and expenditure items by asking ourselves, "Has the revenue been earned or the liability been incurred?" If the answer was yes, we researched whether an additional accrual would be needed for the governmentwide financial statements.

## **Test Results**

### **Management's Discussion and Analysis**

GASB 34, paragraph 11b, requires that the MD&A include certain comparisons of governmentwide financial information from the current year with that of the prior year. This might have been a problem because the district did not have that information for the prior year. However, paragraph 145 of GASB 34 provides that in the first period that GASB 34 is applied, governments are not required to restate prior periods for purposes of providing the comparative data for MD&A. Instead, GASB 34 requires a statement in the MD&A alerting the reader that a comparative analysis of governmentwide data will be provided in future years.

Initially, we were concerned about the overlap of information between the MD&A and the CAFR transmittal letter. In the first draft of the transmittal letter, the district included a sentence alerting readers that in in-

stances of overlap, the details were included in the MD&A. However, as the district further developed its MD&A, it seemed the MD&A was more focused on the governmentwide financial statements, whereas the transmittal letter was directed more toward the fund financial statements. Therefore, the district removed the referencing sentence from the transmittal letter, concluding that the overlap did not merit mention. However, item 7 in the subsequently issued GASB 34 Q&A states that any overlap should be included in the MD&A and that, in areas where overlap could occur, the transmittal letter could refer to the MD&A. Accordingly, the district's future reports will address any overlap using the guidance in the GASB 34 Q&A.

### **Required Supplemental Information**

GASB 34 makes the reporting of required supplemental information



(RSI) a major element of a government's annual report through its requirement for MD&A and a provision that encourages RSI presentation of budgetary comparison information. Previously, districts rarely presented RSI in their annual reports. (See Table 1 for items that may be included in a district's RSI.) This addition raised questions regarding the auditor's responsibility for RSI. Section 558, "Required Supplemental Information," of the AICPA Codification of Statements on Auditing Standards provides auditors with RSI guidance. The auditor is not required to audit RSI but must perform certain limited procedures and may need to add information about those procedures and their results to the auditor's report. However, the auditor's *opinion* on the fair presentation of the financial statements in conformity with generally accepted accounting principles (GAAP) will not encompass the RSI or be affected by whether or how the RSI is presented unless the auditor has been engaged by the district to audit the RSI.

#### Major Funds

GASB 34 tweaks the traditional fund-based financial statements by replacing the fund type display for government and enterprise funds with columnar displays of the main operating fund (the general fund) and other major funds. GASB 34, paragraph 76, requires an indi-

vidual government or enterprise fund to be reported as a major fund if (1) total assets, liabilities, revenues, or expenditures and expenses of that fund are at least 10% of the corresponding total for all funds of that category or type; and (2) the total assets, liabilities, revenues, or expenditures and expenses of that individual fund are at least 5% of the corresponding total for all government and enterprise funds combined. Both percentage criteria must be met for the same element.

The district was concerned that there might be a large number of major funds and about annually reformatting the report should the individual major funds change each year. The district's major funds turned out to be the typically largest funds for a district—the general, child nutrition, and Title I funds. In fact, the child nutrition and Title I funds teetered on the edge of meeting the major funds criteria; ultimately, they did not meet the criteria. However, we speculated that those two funds would probably be close to meeting the criteria each year. Rather than facing the potential of reformatting the report each year, and given that GASB 34 permits districts to report any government or enterprise funds as major, the district decided to display those two funds as major. No other fund came close to meeting the major funds criteria. In hindsight, we believe that many districts may have

few major funds because the lion's share of many districts' revenues and expenditures are reported in the general fund. On occasion, capital projects and debt service funds may meet the criteria for reporting as major funds.

#### Capital Assets

For some districts, capital asset accounting may be the most burdensome part of implementing GASB 34. A companion article, "Asphalt, Fleets, Bricks, and Mortar," which describes the district's experience in implementing the new capital assets standards, is included elsewhere in this issue of *School Business Affairs*.

#### Accounting and Report Preparation

We were unpleasantly surprised with the large amount of time it took to develop the accounting information and change the report for GASB 34 requirements. Table 2 identifies some of the tasks we faced.

Except for enhancements to the capital asset records, the district made no significant changes in its accounting records when implementing GASB 34. Consistent with past years, the district maintained its accounting records during the year on a cash basis and made year-end adjustments in the general ledger to step up to the modified accrual basis of accounting. The adjustments needed to convert to the accrual basis of accounting for the governmentwide financial statements were made without general ledger entries. Those accrual-based adjustments were calculated after the financial results and balances for all funds had been consolidated, making it unnecessary to identify the effect of those adjustments on each of the district's 40 funds.

GASB 34 dictates the placement of several items, such as the MD&A, the budgetary comparison information, and the financial statement reconciliations. Beyond mandated placements, the district's goal was to make the report format as similar to that of the previous year as possible. We thought that presentation consistency would ease the transition for both the preparer and the users of the financial statements.

**Table 1**  
**Annual Report Structure for School Districts**

Required Supplementary Information	Management's Discussion & Analysis (MD&A)				Outside the Scope of the Audit
Required Reporting in Conformity with Generally Accepted Accounting Principles	Basic Financial Statements				Included in the Scope of the Audit
	Government-wide Financial Statements	Fund Financial Statements			
		Government Funds	Proprietary Funds	Fiduciary Funds	
	Notes to the Basic Financial Statements				
Required Supplementary Information	Budgetary Comparison Information Modified Approach Information (Infrastructure Assets) Pension Information (for Certain Plan Types)				Outside the Scope of the Audit



**Table 2**  
**Initial Homework Assignments**

<ul style="list-style-type: none"> <li>• Study Governmental Accounting Standards Board Statement No. 34 (GASB 34) and other research books (see Table 3) and obtain training on GASB 34.</li> <li>• Determine whether the district qualifies as a special-purpose government engaged in a single program, thus allowing for fewer or modified financial statements. Although possible, it is extremely unlikely that a school district would be engaged in a single program (GASB 34, paragraphs 135–137).</li> <li>• Determine and quantify the differences between the current financial resources measurement—modified accrual basis of accounting and the economic resources measurement focus—accrual basis of accounting (such as calculating depreciation expense, accrued interest on general long-term debt, and the gain or loss on the sale or other disposition of capital assets).</li> <li>• Change the layout of the annual financial report. GASB 34 dictates the placement of certain items, such as the management's discussion and analysis (MD&amp;A), other required supplemental information (RSI), and the financial statement reconciliations.</li> </ul>	<ul style="list-style-type: none"> <li>• Draft the MD&amp;A.</li> <li>• Add the governmentwide financial statements.</li> <li>• Determine which funds to report as major funds (GASB 34, paragraph 76).</li> <li>• Format the fund financial statements for major funds display.</li> <li>• Revise the notes to the basic financial statements to focus on the district's government activities, business-type activities, major funds, and aggregate nonmajor funds; delete obsolete notes; add new notes; and change the terminology in the notes.</li> <li>• Change the terminology throughout the report.</li> <li>• Revise and relocate the budgetary comparison information and certain note disclosures to RSI.</li> <li>• Format the combining statements and schedules to display nonmajor funds only.</li> <li>• Prepare the reconciliations between the fund financial statements and the governmentwide financial statements.</li> </ul>	<ul style="list-style-type: none"> <li>• Revamp the capital asset inventory listing so that information is available to calculate depreciation.</li> <li>• Determine the assignment of capital assets to be able to charge depreciation expense to each functional category.</li> <li>• Determine the reporting of depreciation expense for capital assets used by multiple functions, including functional allocations if appropriate.</li> <li>• Determine which changes may be necessary for GASB 34's changes in fund definitions.</li> <li>• Determine the eliminations needed for internal balances and activities (GASB 34, paragraphs 58–62).</li> <li>• Differentiate program revenues and general revenues.</li> <li>• Analyze program revenues to identify charges for services, operating grants and contributions, and capital grants and contributions.</li> <li>• Identify special and extraordinary items.</li> <li>• Calculate the amounts of the net asset categories.</li> </ul>
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### Incremental Cost

In evaluating the incremental cost of implementing GASB 34, districts should consider both the additional effort of district personnel and the cost of outsourcing. The effort for this district was less than it might have been because it outsourced two major parts of the implementation—the inventory of capital assets and report preparation. With those duties outsourced, department of finance personnel were able to fulfill their job duties, while also providing the information needed for the report preparation.

The district spent approximately \$15,000 for a complete capital assets

inventory. The new inventory not only served the purpose of GASB 34 but also provided long overdue improvements to the district's capital assets listing. The incremental cost to prepare and audit the report was approximately 25% more than the prior year's audit cost. We anticipate that the second year's cost for auditor services will be lower because the auditors will be less involved with report preparation.

### Board and Media Reaction

We discussed the report for over an hour in a regular board meeting. Most board member questions related to the statement of activities.

Questions arose because the loss shown in the fund financial statements for the child nutrition program was less than the net cost shown for that program in the governmentwide statement of activities. We explained the differences between the two measures, with depreciation expense in the governmentwide statement being the largest difference.

The report was the first issued in Louisiana that was prepared pursuant to GASB 34. The local, regional, and even statewide media coverage was very positive. The Louisiana legislative auditor confirmed the significance of the accomplishment.



A second round of publicity occurred when a GASB press release praised the district for its courage in early implementation.

### Plans for the 2000 CAFR

With the difficult first-year implementation complete and with the addition of another accounting position in the district's department of finance, the district will prepare the 2000 CAFR internally rather than outsource it to the auditors.

We believe that one item could be improved in the 2000 CAFR: the MD&A. Although the first MD&A included all the elements required by GASB 34, the district wishes to enhance the presentation.

The district plans to become engrossed in the details of the accounting and report preparation. With a thorough knowledge of those items, the district can assist other districts with their first GASB 34 implementation.

### Cheat Sheet

The benefits of homework have always been an axiom in education. This project is no exception. Obtain and read your research books. (See Table 3 for a list of research books and other sources of information.) You cannot accomplish this project with a 2-hour cram course; it will take some serious book cracking.

Start early. In our case, although the team had a good understanding of the new model, the project was a formidable challenge. Even with an early start, we experienced a small delay in issuing the district's report because of the extent of the effort.

A district should start planning for implementation 12 months before the beginning of the actual implementation year. This period will allow preparers and auditors to concur on the appropriate adjustments that will eventually be necessary to develop beginning-of-the-year account balances for the year of implementation. (Beginning balances for the governmentwide

**Table 3**

### Research Books and Sources of Additional Information

*GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions*

*GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*

*GASB Statement No. 36, Recipient Reporting for Certain Shared Nonexchange Revenues, an Amendment of GASB Statement No. 33*

*GASB Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*

*Guide to Implementation of GASB Statement No. 34 on Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Questions and Answers*

*ASBO International's GASB Statement No. 34 Implementation Recommendations for School Districts*

Louisiana Legislative Auditor's web site (<http://www.lia.state.la.us>)

1. Two school district reports prepared pursuant to the new reporting model
2. Questions and answers on actual implementation experiences of a city and a school district

Vernon Parish School System's web site (<http://www.vpsb.k12.la.us>)

1. Fiscal year 1999 comprehensive annual financial report (CAFR)
2. Questions and answers on implementation experience of the district
3. Fiscal year 2000 CAFR (to be posted when available)
4. Annual report of district that includes only the minimum GASB 34 requirements

statement of net assets are needed to ensure that the statement of activities is properly stated in conformity with GAAP in the year of implementation.) Determining beginning balances while preparing and auditing the prior year's report

on good financial stewardship is priceless. The longer a district waits, the less newsworthy the accomplishment will be.

You don't need to change the way the accounting records are maintained. Our approach of making the step-up adjustments to the governmentwide financial statements outside of the accounting records was simple and effective. We plan to repeat this approach for the 2000 CAFR. □

*It is never too early to start work on necessary changes to the capital assets listing.*

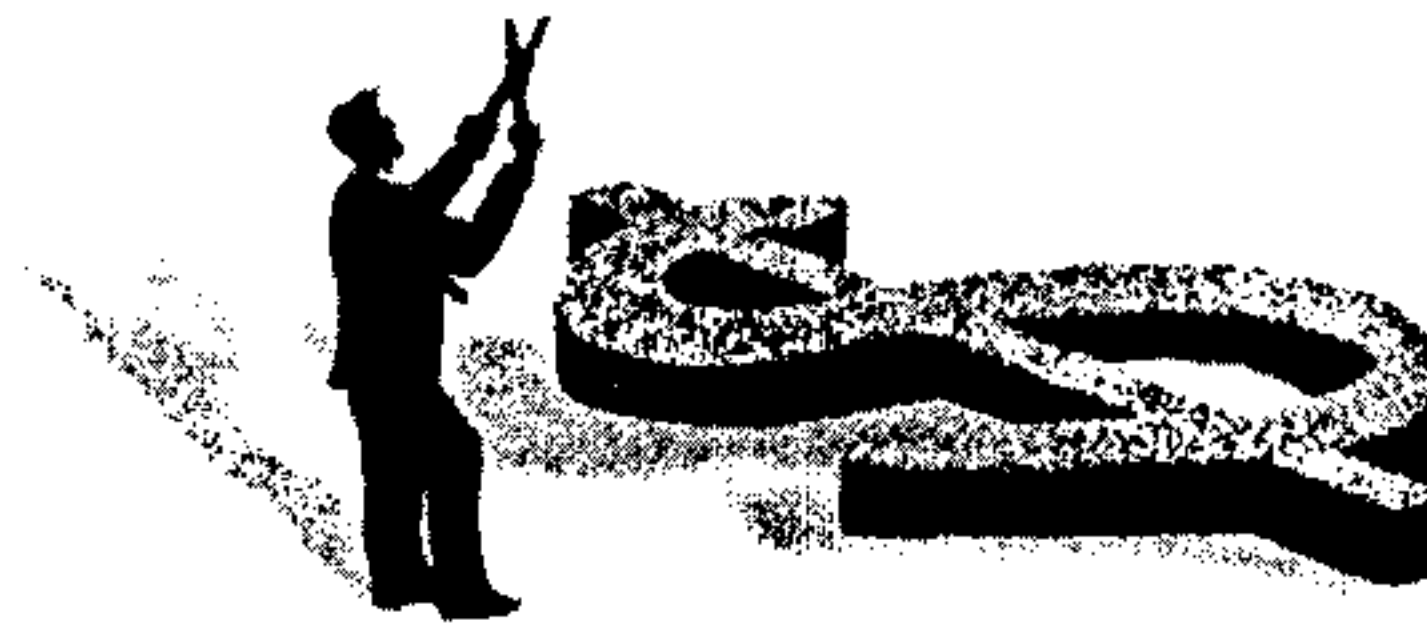
will make the transition smoother and enhance the probability of accurate and verifiable beginning balances.

It is never too early to start work on necessary changes to the capital assets listing. (We discuss the tasks that may be needed in the companion article.) Early implementation enhances the probability of good media coverage. The goodwill that can be created by a positive article

### Bibliography

- American Institute of Certified Public Accountants. (1999). *Codification of statements on auditing standards*. Jersey City, NJ: Author.
- Association of School Business Officials International. (2000, September). *GASB Statement No. 34 implementation recommendations for school districts*. Reston, VA: Author.
- Governmental Accounting Standards Board. (1998, December).





# Asphalt, Fleets, Bricks, and Mortar

By Tim Green, CPA, Margie E. Williamson, CPA, and William L. Endris, Jr.

**G**overnmental Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* (GASB 34), generally requires school districts to capitalize and depreciate their capital assets in their financial statements. This article explains our experience in implementing those requirements for the Vernon Parish (Louisiana) School Board's (district's) June 30, 1999, comprehensive annual financial report (CAFR). A companion article, "Sharpen Your Pencils and Roll Up Your Sleeves: A Case Study in Implementing the GASB's New Financial Reporting Model," which describes other aspects of the district's early implementation of GASB 34, is included on the previous pages in this issue of *School Business Affairs*.

Capital assets include land, land improvements, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure assets, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

GASB 34 (commonly referred to

as the "new financial reporting model") requires the preparation of governmentwide financial statements using the economic resources measurement focus and the accrual basis of accounting. Unlike the present reporting of capital assets

district will face myriad issues and may need to solve the ones we discuss differently from the way we did, depending on particular facts, circumstances, and materiality.

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*Unlike the present reporting of capital assets acquired through or associated with government funds, the new reporting model generally dictates that the consumption of those assets be reported through a charge in the governmentwide statement of activities for depreciation expense.*

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acquired through or associated with government funds, the new reporting model generally dictates that the consumption of those assets be reported through a charge in the governmentwide statement of activities for depreciation expense.

Our discussion of the issues we faced and the ways in which we resolved them is intended to be informative only, not directional. Each

## Outsourcing Physical Inventory

Early in its implementation process, the district concluded that its capital asset records had shortcomings. The district outsourced a complete inventory of capital assets at all of its 20 sites. The district decided to outsource the work because the vendor could complete the inventory within 30 days and had a database that could provide estimated historical cost for most of the district's capital assets. The vendor also had significant experience and a methodical inventory approach.

## Acquisition Dates

The district's previous capital asset records did not include the dates that the assets had been acquired. Acquisition dates are needed to calculate depreciation expense and accumulated depreciation. Ultimately, the missing dates posed no significant problem. We realized that if, for example, a capital asset had a 6-year estimated useful life, it didn't matter whether the asset was pur-

chased in 1985, 1989, or 1991; it would be fully depreciated. The acquisition date would be important only if the estimated time since the asset was acquired was less than the estimated useful life of the asset. The daunting job of establishing acquisition dates quickly became a manageable task when we concluded that probably 75% of the district's capital assets were so old that they had been fully depreciated.

structional function the district reports in its CAFR. (If a district were to find that a building or other capital asset is used by "essentially all" of its functions, GASB 34, paragraph 44, permits the district not to allocate the depreciation among functions. Instead, it permits depreciation on that particular building or asset to be included as a separate line item or as part of a "general" function.)

management practices, asset usage, and other variables (such as weather) may vary significantly between governments." Consequently, for the 2000 CAFR, we will review the previously assigned estimated useful lives using the guidance in the GASB 34 Q&A and the recently issued *GASB Statement 34 Implementation Recommendations for School Districts*.

### Depreciation Expense by Function

GASB 34 requires depreciation expense for capital assets that can be identified specifically with a function to be included in that function's direct expenses. In most cases, that means that depreciation expense will be recorded, for example, as a cost of regular instruction, special instruction, student transportation, the child nutrition program, or maintenance and operations. The vendor's capital asset inventory identified asset location but did not identify the functions for which the assets were used. The district had to add this information to the vendor's inventory report.

### Depreciation Allocation

Another issue in assigning capital assets to functions is allocating depreciation expense for capital assets that benefit two or more functions. For example, the district's school buildings are used for the same several functions. We allocated school building depreciation based on percentages representing the relative square footage use of the buildings for instruction, the child nutrition program, and school administration. All of the depreciation expense for instruction was classified as regular instruction because only an immaterial portion of the time-use of the buildings was dedicated to special or other instruction. It is the only other in-

*The present method of "rolling forward" the balances of capital asset amounts in the general fixed-asset account group by adding the current year's additions and deletions to prior-year balances will clearly not suffice for GASB 34.*

### Estimated Useful Lives

To determine estimated useful lives of its capital assets, the district used an Internal Revenue Service (IRS) publication that includes a fairly extensive list of assets and their estimated useful lives. After the district issued its CAFR, the GASB staff released its *Guide to Implementation of GASB Statement No. 34 on Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Questions and Answers* (GASB 34 Q&A). The GASB 34 Q&A discourages the use of IRS established lives, stating in item 48 that "schedules of depreciable lives established by federal or state tax regulations are generally not intended to represent useful lives." Item 47 in the GASB 34 Q&A states, "Useful lives should be based upon the government's own experience and plans for the assets. Although comparison with other governments or other organizations may provide some guidance, property

### Salvage Value

Generally, the district uses its capital assets, except for vehicles, until they are completely worn out and either abandoned or used as parts. Therefore, salvage value was established for vehicles only. Recent experience indicated that the trade-in allowance for district vehicles was approximately 10% of their original purchase price. Accordingly, the district established a 10% salvage value for vehicles.

### Depreciation Method

GASB 34, paragraph 161, permits governments to use any established depreciation method. The district adopted the straight-line method because of its ease of use. Also, the district had no compelling reason to use any other method.

### Capital Asset Software

The district's new capital assets listing is an electronic spreadsheet that automatically calculates beginning and year-end accumulated depreciation and current year depreciation expense. The disadvantage of the spreadsheet is the ease of adding or deleting items without a record of the changes. Although this record served the district's purposes for the 1999 CAFR, we are concerned about the lack of control over future additions and deletions. The district has not yet addressed this control issue or decided whether to continue to use the spreadsheet.



## Infrastructure Assets

*Infrastructure assets* are long-lived capital assets that are normally stationary in nature and can normally be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets are roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Buildings are not considered infrastructure assets, except those that are an ancillary part of a network of infrastructure assets.

When the 1999 CAFR was prepared, we had not decided whether the district had general infrastructure assets that should be retroactively capitalized. We could address this issue later because GASB 34 permits a 4-year delay for the retroactive capitalization of those assets. (Note that GASB 34 also does not require very small governments to retroactively capitalize those assets.) The district has since concluded that it has no infrastructure assets.

Some asked whether football stadiums and tracks were infrastructure assets. We thought not and classified the tracks as exhaustible land improvements (which are subject to depreciation) and the football stadiums as buildings. We also classified surfaces for driveways and parking lots as exhaustible land improvements.

## Summary

A district will likely have to give considerable attention to capital assets as it prepares to implement GASB 34. The present method of "rolling forward" the balances of capital asset amounts in the general fixed-asset account group by adding the current year's additions and deletions to prior-year balances will clearly not suffice for GASB 34. Specifically, districts may need more accurate records and additional capital asset data. Among other tasks, districts will also need to identify functional assignments and allocations for the assets and select a depreciation method. □

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- American Institute of Certified Public Accountants. (1999). *Codification of statements on auditing standards*. Jersey City, NJ: Author.
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- Governmental Accounting Standards Board. (1999, June). *Basic financial statements—and management's discussion and analysis—for state and local governments (Statement No. 34)*. Norwalk, CT: Author.
- Governmental Accounting Standards Board. (2000, May). *Guide to implementation of GASB Statement No. 34 on basic financial statements—and management's discus-*

*sion and analysis—for state and local governments: Questions and answers*. Norwalk, CT: Author.

Tim Green, CPA, and Margie E. Williamson, CPA, are partners with Allen, Green & Company, LLP, independent auditors and consultants, in Monroe, Louisiana. Tim is a former chair of the American Institute of Certified Public Accountants Governmental Accounting and Auditing Committee. Margie is a member of the Society of Louisiana CPAs Governmental Accounting and Auditing Committee.

William L. Endris, Jr., has been the director of finance for the Vernon Parish School Board in Leesville, Louisiana, for 15 of his 25-year tenure with the district.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vernon Parish School  
Board, Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1999

A Certificate of Achievement for Excellence in Financial  
Reporting is presented by the Government Finance Officers  
Association of the United States and Canada to  
government units and public employee retirement  
systems whose comprehensive annual financial  
reports (CAFRs) achieve the highest  
standards in government accounting  
and financial reporting.



*Anne Spray Kinney*  
President

*Jeffrey L. Esser*  
Executive Director



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**VERNON PARISH SCHOOL BOARD**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 1999

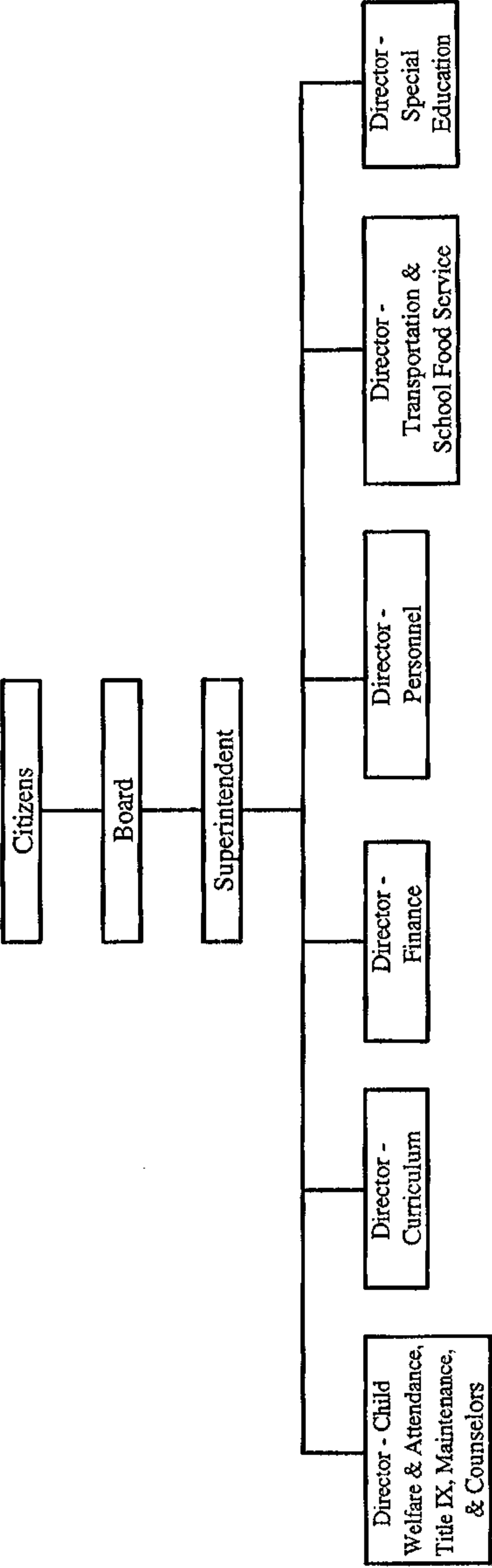
Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*Sam Deering*  
President

*Don H. Hargis*  
Executive Director

Vernon Parish School Board  
Leesville, Louisiana

Organization Chart  
June 30, 2000



**Vernon Parish School Board**

**Elected Officials**

<u>Board Member</u>	<u>District</u>
Linda West, President	1
Alvin C. "Chuck" Dowden, Jr.	1
Willis A. Farris	3
Philip L. Gunn	6
B. R. Harvey	5
M. Gene Haymon	1
Jane Holton	1
C. A. Hughes	1
Benard McKee	7
Murphy O'Banion	4
Ted Paris	1
W. W. "Bill" Parker	2
Kim Reesc	1
Mark H. Smith	1
Betty Westerchil	1

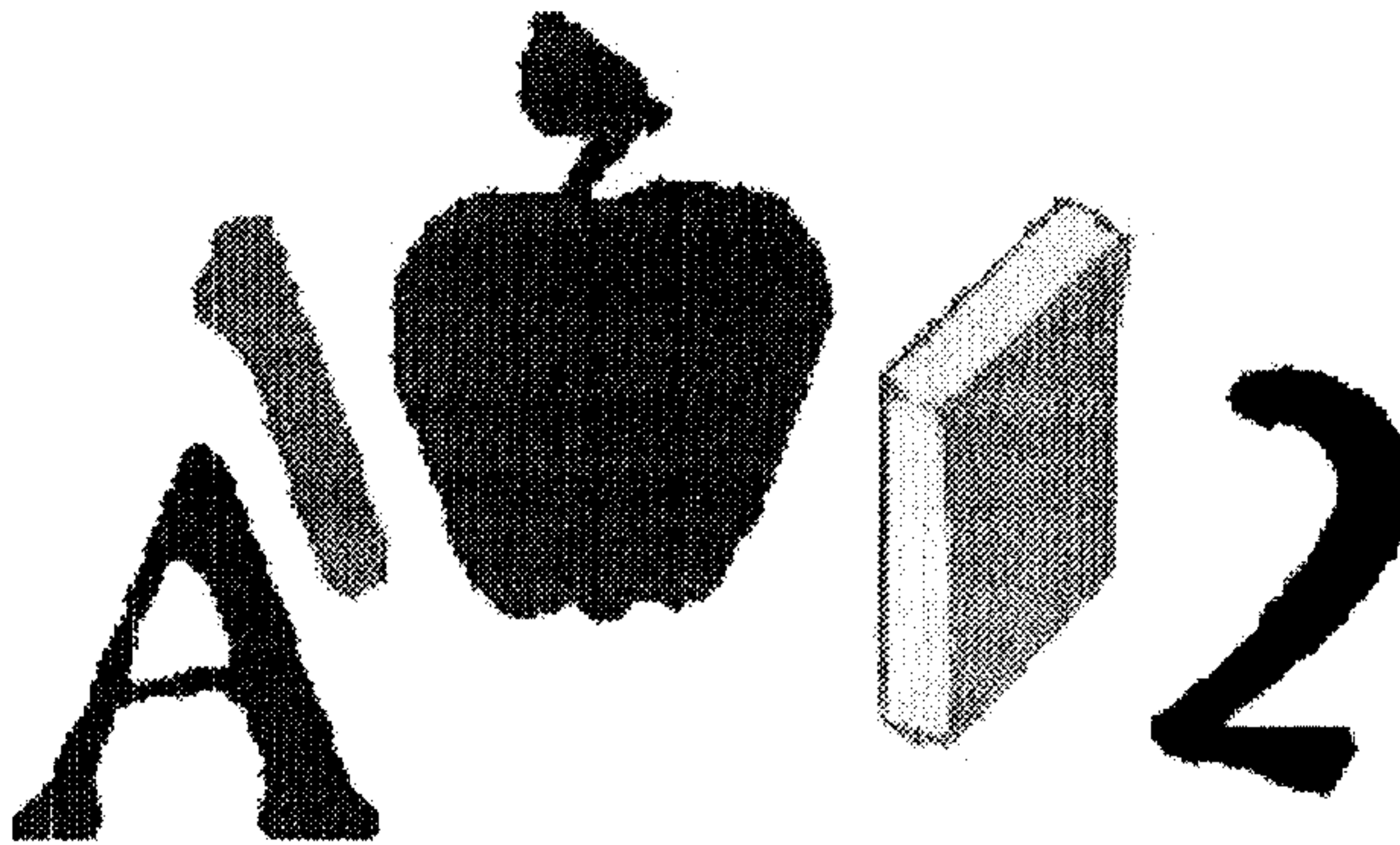
**Vernon Parish School Board**

**Selected Administrative Officials**

Richard A. Schwartz	Superintendent
William L. Endris, Jr.	Director of Finance
Dottie Neugebauer	Director of Special Education
Tom Neubert	Director of Child Welfare and Attendance, Title IX, Maintenance and Counselors
Jackie Self	Director of Personnel
Jimmie Funderburk	Director of Transportation and School Food Service
Cindy Gillespie	Director of Curriculum

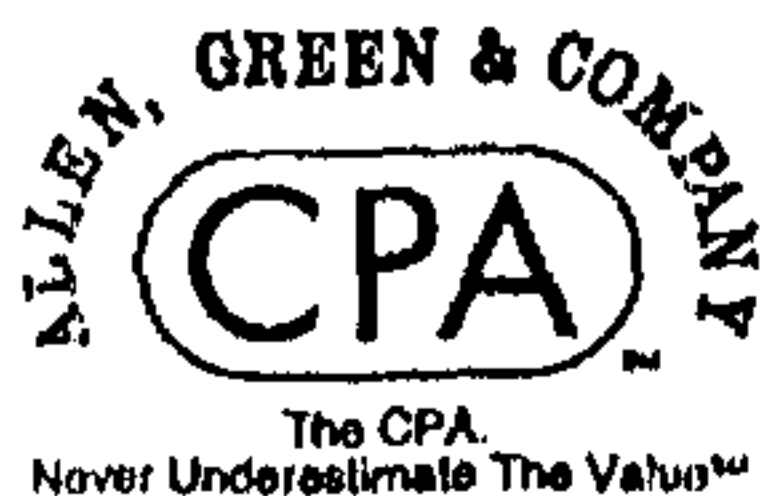


**Vernon Parish School Board**



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# FINANCIAL SECTION



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Sylvia R. Fallin, CPA  
Sharon K. French, CPA  
Regina R. Mekus, CPA

Ernest L. Allen, CPA (Retired)  
1963 - 2000

## INDEPENDENT AUDITORS' REPORT

Board Members  
Vernon Parish School Board  
Leesville, Louisiana

We have audited the accompanying *basic financial statements* of Vernon Parish School Board, Leesville, Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents. These basic financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the *basic financial statements* referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated November 15, 2000, on our consideration of the Vernon Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the *basic financial statements* of the School Board, taken as a whole. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the *basic financial statements*. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, in our opinion, is fairly stated, in all material respects, in relation to the *basic financial statements* taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the *basic financial statements* of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, accordingly, we express no opinion on it.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
November 15, 2000

**Vernon Parish School Board**

**REQUIRED SUPPLEMENTAL INFORMATION  
(Part A)**



**MANAGEMENT'S DISCUSSION  
AND ANALYSIS (MD&A)**

**Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)**

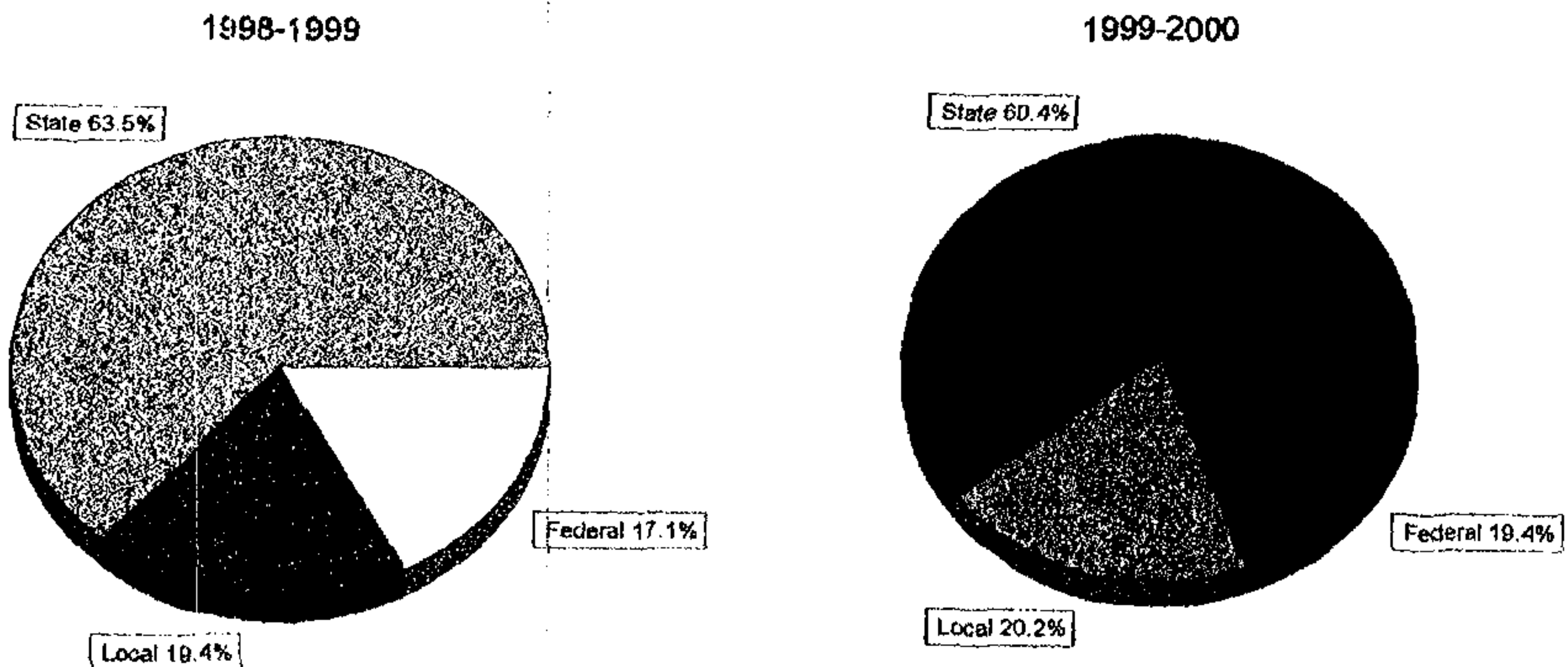
Our discussion and analysis of Vernon Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2000. Please read it in conjunction with the transmittal letter included in the introductory section of this report and the School Board's financial statements, which follows this Management's Discussion and Analysis.

The economy of Vernon Parish is driven primarily by the Fort Polk military installation, the fifth largest such facility in the nation. More than half the work force of Vernon Parish is comprised of active duty military personnel, and civilians are also employed by the base. Aside from its \$617 million annual direct economic impact on Vernon Parish, Fort Polk indirectly influences the surrounding parishes' economy as well. One-third of the population of Vernon Parish is comprised of military personnel or their families living on- or off-base. This influx of career- and family-age population gives the area a relatively low median age, a factor which appeals to companies seeking to build industrial and manufacturing establishments. The large military population has also drawn specialists to both Bayne-Jones Army Community Hospital and civilian medical practice, giving the Vernon Parish area substantially better medical and health care technology.

**FINANCIAL HIGHLIGHTS** Our financial statements provide these insights into the results of this year's operations:

This year, the primary resources available to the school system are local revenues, primarily tax receipts, which total \$12.7 million or 20.2% of the total; state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling \$38 million or 60.4% of the total; and federal funds, primarily impact aid and special grants totaling \$12.2 million or 19.4%. Last year, local revenues were \$11.6 million or 19.4% of the total, while state revenues were \$38.1 million or 63.5%, and federal revenues were \$10.4 million or 17.1%.

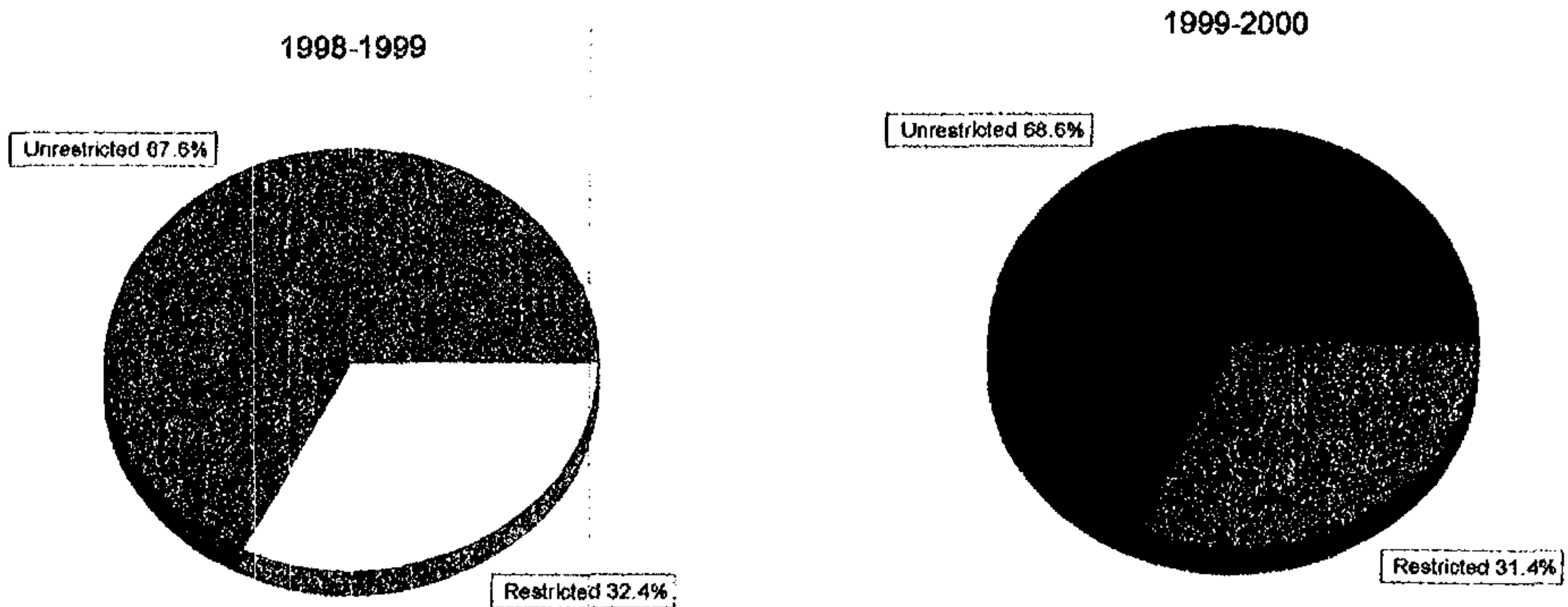
**TOTAL REVENUES BY SOURCE**



Of the total \$62.9 million revenues received by the school system this year, \$19.7 million or 31.4% is restricted. Unrestricted revenues were \$43.2 million or 68.6%. Last year total revenue was \$60.1 million, of which total \$19.7 million or 32.4% was restricted revenue and \$41.4 million or 67.6% was unrestricted revenue.

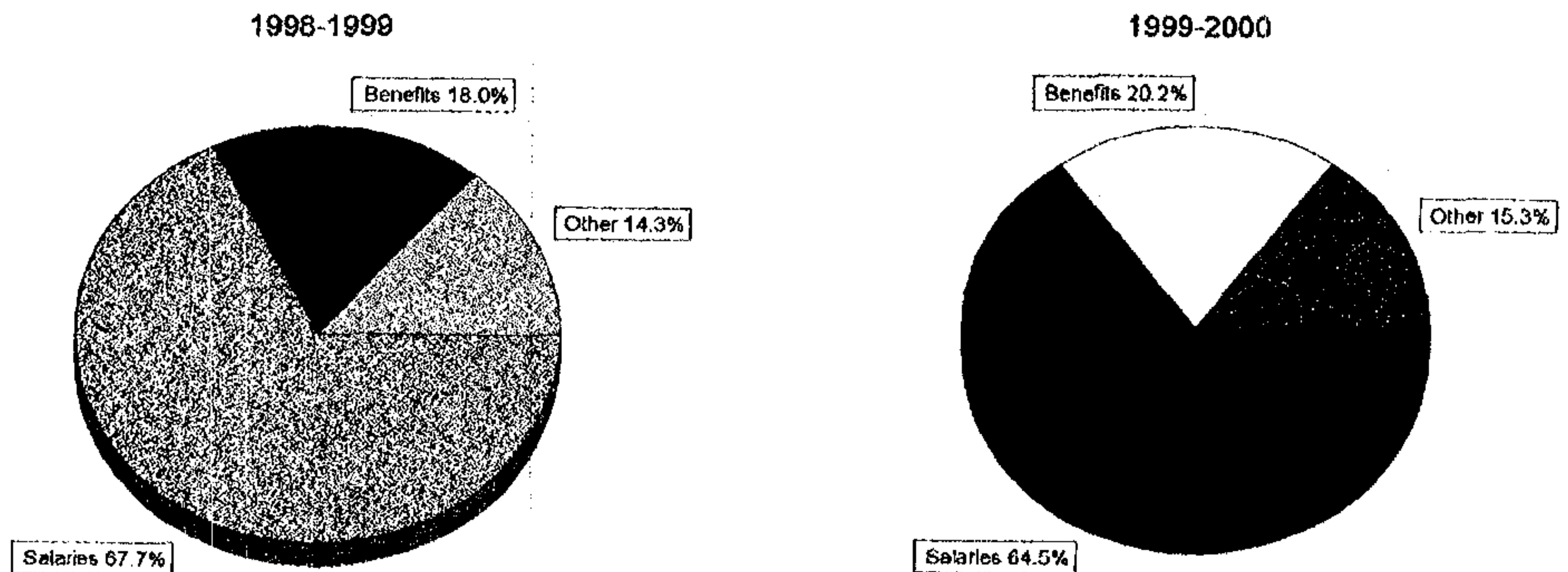
**Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)**

**RESTRICTED VS. UNRESTRICTED REVENUES**



Of the unrestricted amount of \$43.2 million in 1999-2000, \$27.9 million or 64.5% was spent for salaries; \$8.7 million or 20.2% was spent for employee benefits; \$6.6 million or 15.3% for other functions of the school system. Of the unrestricted amount of \$41.4 million in 1998-1999, \$27.7 million or 67.7% was spent for salaries; \$7.4 million or 18.0% was spent for employee benefits; and \$6.3 million or 14.3% was spent for other functions of the school system.

**USES OF UNRESTRICTED REVENUE**





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**Vernon Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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The fund balances of all governmental funds remained fairly stable showing an increase of \$80,860. The general fund, the only major fund for the School Board showed an increase of \$180,306. Total revenues for all governmental funds for the current year was \$62.9 million, an increase of \$2.8 million from the prior year. Total expenditures of \$62.9 million for the current year was an increase of \$2.3 million over last year. Most of the School Board's taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: instruction \$29.4 million or 61.2%, plant services \$4.9 million or 10.2%, transportation \$3.7 million or 7.7%, and other functions \$10.0 million or 20.8%.

Our budgeted revenues for the 2000-2001 year include a 3.6% decrease in budgeted revenues and 3.7% decrease in budgeted expenditures. The decrease in budgeted revenues and expenditures is primarily due to competitive grants not being included in the original budget. The School Board is mandated by state law to adopt its budget by September 15 of each year. This original budget is based on a "bare bones" approach that reflects only guaranteed revenues and necessary expenditures since the major sources of revenues, i.e., minimum foundation program and impact aid, are based on October 1 student enrollment figures. The original budget figures are amended when revenues or expenditures exceed 5% of estimate.

**USING THIS ANNUAL REPORT** The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant fund, the general fund. The remaining statement – the Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

<b>Comprehensive Annual Financial Report</b>
<b><u>Introductory Section</u></b> Transmittal Letter Certificates of Excellence in Financial Reporting Organization Chart Elected Officials and Selected Administrative Officers
<b><u>Financial Section</u></b> (Details outlined in the next chart)
<b><u>Statistical Section</u></b> Ten Years of Historical Financial Operating Data Ten Years of Property Tax Rates, Tax Levies and Collections Bonded Debt Information (including Bonded Debt Per Capita and Computation of Legal Debt Margin) Property Values, Construction and Bank Deposits Principal Employers and Ad Valorem Taxpayers Demographics and Attendance Data
(Refer to the Table of Contents in the front of this report for more details and the specific location of items identified above)

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Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)

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***Financial Section***

Required Supplemental Information (Part A)

Management's Discussion & Analysis (MD&A)

**Basic Financial Statements**

**Government-wide  
Financial Statements**



**Fund  
Financial Statements**

**Notes to the Basic Financial Statements**

Required Supplemental Information (Part B)

Budgetary Information for Major Funds

Supplemental Information

Nonmajor Funds Combining Statements & Budgetary Information  
Agency Funds Statements/Schedules  
Capital Assets by Source and Function  
Schedule of Compensation Paid Board Members

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**Reporting the School Board as a Whole**

***The Statement of Net Assets and the Statement of Activities***

Our analysis of the School Board as a whole begins on page 10. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include *all* assets and liabilities, using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.



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**Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)**

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These two statements report the School Board's *net assets* – the difference between assets and liabilities, as reported in the Statement of Net Assets – as one way to measure the School Board's financial health, or *financial position*. Over time, *increases or decreases* in the School Board's net assets – as reported in the Statement of Activities – are one indicator of whether its *financial health* is improving or deteriorating. The relationship between revenues and expenses is the School Board's *operating results*. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the *overall health* of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities – All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

#### **Reporting the School Board's Most Significant Funds**

##### ***Fund Financial Statements***

The School Board's fund financial statements, which begin on page 21, provide detailed information about the most significant funds – not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds – All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in a reconciliation on Statements D and F.

#### **The School Board as Trustee**

##### ***Reporting the School Board's Fiduciary Responsibilities***

The School Board is the trustee, or *fiduciary*, for its student activity funds and the scholarship fund. All of the School Board's fiduciary activities are reported in separate Statements of Fiduciary Net Assets on page 27. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**THE SCHOOL BOARD AS A WHOLE** The School Board's net assets were \$19.2 million at June 30, 2000. Of this amount, \$.2 million was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities.



**Vernon Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

**Table 1**  
**Net Assets**  
(in millions)  
June 30,

	<u>Governmental Activities</u>	
	<u>2000</u>	<u>1999</u>
Current and other assets	\$ 12.3	\$ 9.1
Capital assets	<u>26.0</u>	<u>26.3</u>
Total assets	<u>38.3</u>	<u>35.4</u>
Current and other liabilities	( 6.3)	( 6.9)
Long-term liabilities	<u>(12.8)</u>	<u>(10.0)</u>
Total liabilities	<u>(19.1)</u>	<u>(16.9)</u>
Net assets		
Invested in capital assets, net of debt	16.5	15.9
Restricted	2.5	1.4
Unrestricted	<u>.2</u>	<u>1.2</u>
Total net assets	<u>\$ 19.2</u>	<u>\$ 18.5</u>

The \$.2 million in unrestricted net assets of governmental activities represents the *accumulated* results of all past years' operations. It means that if we had to pay off all of our bills *today* including all of our noncapital liabilities (compensated absences for example), we would have \$.2 million left. The decrease in unrestricted net assets is a result of a change in the reporting of restricted net assets. The restrictions for federal and state funds, school food service, and maintenance funds were not reported as restricted net assets in the 98-99 Statement of Net Assets. These restrictions for 98-99 (which were reported in unrestricted net assets) would have resulted in a balance in unrestricted net assets of \$.1 million.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities on page 18. Table 2, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues for the year.

**Table 2**  
**Changes in Net Assets**  
(in millions)  
For the Year Ended June 30,

	<u>2000</u>	<u>1999</u>
<b>Revenues:</b>		
Program revenues		
Charges for services	\$ .7	\$ .7
Federal grants	11.9	10.2
State grants & entitlements	1.5	1.9
General Revenues		
Ad valorem taxes	3.7	3.2
Sales taxes	7.1	6.9
State equalization	36.1	35.9
Other general revenues	<u>1.9</u>	<u>1.3</u>
Total revenues	<u>62.9</u>	<u>60.1</u>
<b>Functions/Program Expenses:</b>		
Instruction		
Regular programs	25.0	24.1
Special programs	8.8	8.5
Other instructional programs	4.0	4.2
Support services		
Student services	2.4	2.3

**Vernon Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

Instructional staff support	2.4	2.4
General administration	1.4	1.3
School administration	3.2	2.8
Business services	.5	.5
Plant services	5.5	5.3
Student transportation services	4.1	4.2
Central services	.4	.2
Food Services	4.1	4.0
Community services programs	0.0	0.0
Interest on long-term debt	.4	.6
Total expenses	<u>62.2</u>	<u>60.4</u>
Increase (decrease) in net assets	<u>\$ .7</u>	<u>\$ (.3)</u>

**Governmental Activities** As reported in the Statement of Activities included later in the government-wide financial statements, the cost of all of our *governmental* activities this year was \$62.2 million. However, the amount that our taxpayers ultimately financed for these activities through School Board taxes was only \$48.0 million because some of the cost was paid by those who benefitted from the programs (\$.7 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$13.4 million). We paid for the remaining "public benefit" portion of our governmental activities with \$11.0 million in taxes, \$36.1 million in state Minimum Foundation Program funds, and with our other revenues, like interest and general entitlements.

In the table below, we have presented the cost of each of the School Board's six largest functions - regular programs instruction, special instruction programs, other instructional programs, plant services, student transportation services, and school food services, as well as each program's *net* cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Years Ended June 30, (in millions)			
	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2000	1999	2000	1999
Regular programs instruction	\$25.0	\$24.1	\$20.9	\$18.5
Special programs instruction	8.8	8.6	7.4	6.5
Other instructional programs	4.0	4.2	1.0	2.2
Plant services	5.5	5.3	4.9	5.3
Student transportation services	4.1	4.2	3.7	4.2
Food services	4.1	4.0	1.3	1.2
All others	10.7	10.1	8.8	9.8
Totals	<u>\$62.2</u>	<u>\$60.5</u>	<u>\$48.0</u>	<u>\$47.7</u>

Revenue increases of \$.3 million were realized from restricted state and federal grants which are expenditure driven and were therefore offset by a corresponding \$.3 million increase in expenditures. Impact aid and Department of Defense (DOD) revenues combined increased by \$1.8 million due to a two-year payment of DOD funds and an increase in federal appropriations for these programs. The school system also received \$.5 million in E-RATE funds which were unbudgeted.

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**Vernon Parish School Board  
Management's Discussion and Analysis (MD&A)**

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Salary expenditures were \$.8 million more than expected due to changes in compensation methods for sick leave and sabbatical leave mandated by new state statutes and by an increased number of personnel on sick leave. Fringe benefits also increased by \$2.2 million due to the School Board entering the State of Louisiana Group Benefits Program and paying a premium increase of 75% with an additional one-year risk rate premium of 37%.

**THE SCHOOL BOARD'S FUNDS** As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

As the School Board completed this year, our governmental funds reported a combined fund balance of \$4.1 million, which is the same as last year.

Even though the combined fund balance remained stable, there were significant changes in both revenues and expenditures. These were:

The general fund is our principal operating fund. The fund balance in the general fund remained stable at \$1.6 million even though the following events occurred which have not been noted earlier:

- a decrease in retirement contributions of \$300,000 due to an increase in the retirement plan DROP option and a reduction of mandated retirement contributions of 1%;

- an increase in self-funded workmen's compensation payments of \$69,000 due to claim settlements;

- an increase in supplements to the school food service fund due to underfunding of that program of \$150,000;

- a decrease in purchased services and equipment purchases of \$700,000 since all classrooms were made internet accessible in 1998-1999 and these were one-time expenses;

- a decrease in instructional materials and supplies of \$150,000 due to elimination of state funds for this project;

- an increase in sales tax collections of \$150,000 due to the sales tax department's increased audit effort;

- an increase in property tax revenues of \$500,000 due to an increase in property assessments;

- an increase of \$100,000 for timber sales on federal property due to favorable logging conditions;

- a decrease in the Minimum Foundations Program state funding of \$240,000 due to decreased enrollment of 250 students.

The special revenue funds showed a decrease of \$320,332 due to:

- a land purchase of \$190,000 in Ward 5;

- major renovations in buildings in Wards 1 and 4;

- an increase in school food service fund food expenses of \$30,000.

The debt service funds showed an increase of \$221,453 although Ward 1, Ward 2-Orange, Ward 3, Ward 4, and Ward 6 experienced decreases in fund balances from the prior year. The millage rates in these wards were reduced in order to reduce the debt service fund balance. Ward 5 fund balance increased by \$221,000 due to oil exploration and refining increasing assessed valuation.



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**Vernon Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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**General Fund Budgetary Highlights** As mentioned earlier, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was actually adopted after year-end, which is not prohibited by state law. (A schedule showing the School Board's original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplemental Information.)

There were significant revisions made to the 1999-2000 general fund original budget. Budgeted revenues were increased \$1.6 million primarily due to the following:

- an increase of ad valorem taxes totaling \$50,974 due to an increase in assessment values;
- an increase in sales tax receipts of \$581,311 because only minimum amount required to pay salaries was budgeted originally;
- an increase in interest earnings of \$52,001 since the board borrowed \$2,000,000 and was able to invest it for ½ year. This interest earned was reduced by \$43,678 interest payment on the loan;
- an increase of other income of \$490,515 for E-RATE funds received for the first time;
- an increase in other restricted revenues of \$82,877 due to retiree hospital insurance premium-this was offset by an equal expenditure amount;
- an increase in federal unrestricted of \$1,240,369 since Department of Defense Funds were received for both FY 99 and FY 2000 in FY 2000 and an increase in Impact Aid due to a higher than expected appropriation by the federal government;
- a decrease in minimum foundation state funds of \$671,493 due to lower than projected student enrollment.

Budgeted expenditures were increased by \$2.7 million primarily due to the following changes:

- an increase of \$2.2 million in hospital insurance premiums resulting from changing carriers to the State Group Benefits program and paying increased premiums plus a 37% risk rate factor for one year;
- an increase of approximately \$.3 million due to state law change mandatory extended sick leave payments and increased use of accumulated sick leave;
- an increase of \$.2 million for materials and supplies for instruction.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets** At June 30, 2000, the School Board had \$26,019,378 million invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of just over \$250,000, or one percent, from last year.

**Capital Assets at Year-end**

	<u>Governmental Activities</u>	
	<u>2000</u>	<u>1999</u>
Land	\$ 1,201,870	\$ 1,011,870
Buildings	22,062,767	23,006,738
Furniture and Equipment	2,754,741	2,251,689
Totals	<u>\$26,019,378</u>	<u>\$26,270,297</u>

This year's additions of \$1,442,711 included land of \$190,000 and computers for the classroom. No debt was issued for these additions.

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**Vernon Parish School Board**  
**Management's Discussion and Analysis (MD&A)**

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No major capital projects are planned for the 2000-2001 fiscal year. We anticipate capital additions will be comparable to the 1999-2000 fiscal year. We present more detailed information about our capital assets in Note 6 to the financial statements.

**Debt Administration** At June 30, 2000, the School Board had \$9,518,365 in general obligation bonds outstanding with maturities from 2001 to 2024 and interest rates ranging from 1.00 to 7.75 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2000, the School Board's net bonded debt of \$7,922,562 (total bonded debt of \$9,518,365 less assets in debt service funds of \$1,595,803) was well below the legal limit of \$39,733,183.

	<u>Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt per Capita</u>
Net direct general obligation bonded debt	<u>\$7,922,562</u>	<u>6.9%</u>	<u>\$154</u>

The School Board maintained a Baa bond rating from Moody's Investors Service.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES** Our elected and appointed officials and citizens consider many factors when setting the School Board's 2000-2001 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2000-2001 budget was adopted in September 2000, based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the state. Approximately 57% of total revenues is from the MFP. Our Impact Aid federal funding is also tied to the number of federally connected students. Impact Aid fluctuates between \$3 to \$4 million per year. The October 1, 2000, student count exceeded the 2000-2001 budget projection amount and a budget amendment will be required.

We have projected an excess of \$41,000 for the 2000-2001 fiscal year with no major uncertainties anticipated for the future.

**CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT** Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact William L. Endris, Jr., Director of Finance, at Vernon Parish School Board, 201 Belview Road, Leesville, Louisiana 71446, telephone number (318) 239-3401.





ANACOCO ELEMENTARY SCHOOL



ANACOCO HIGH SCHOOL



EVANS SCHOOL



**Vernon Parish School Board**

**BASIC FINANCIAL STATEMENTS**

**Vernon Parish School Board**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

VERNON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS  
June 30, 2000

Statement A

GOVERNMENTAL  
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 2,314,080
Investments	6,645,739
Receivables (net)	3,273,171
Inventory	62,791
Capital assets:	
Land	1,201,870
Capital assets, net of depreciation	<u>24,817,508</u>

TOTAL ASSETS

38,315,159

LIABILITIES

Accounts, salaries and other payables	6,220,057
Deferred revenue	22,182
Interest payable	129,530
Long-term liabilities	
Due within one year	3,446,175
Due in more than one year	<u>9,319,561</u>

TOTAL LIABILITIES

19,137,505

NET ASSETS

Invested in capital assets, net of related debt	16,501,013
Restricted for:	
Federal and state funds	24,010
School food service	40,611
Maintenance funds	671,995
Debt service	1,466,273
Workers' Compensation	302,647
Unrestricted	<u>171,105</u>

TOTAL NET ASSETS

\$ 19,177,654

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.



**VERNON PARISH SCHOOL BOARD**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2000**

**Statement B**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE)
	CHARGES FOR	OPERATING	CAPITAL	REVENUE AND
EXPENSES	SERVICES	GRANTS AND	GRANTS AND	CHANGES IN
		CONTRIBUTIONS	CONTRIBUTIONS	NET ASSETS
<b>Governmental activities:</b>				
<b>Instruction:</b>				
Regular programs	\$ 25,005,721	\$ 4,072,768		\$ (20,932,953)
Special programs	8,814,006	1,329,350		(7,484,656)
Other instructional programs	4,002,734	3,004,023		(998,711)
<b>Support services:</b>				
Student services	2,432,470	405,200		(2,027,270)
Instructional staff support	2,382,612	880,375		(1,502,237)
General administration	1,400,490	162,099		(1,238,391)
School administration	3,157,004	363,622		(2,793,382)
Business services	528,529	64,691		(463,838)
Plant services	5,473,467	575,254		(4,898,213)
Student transportation services	4,109,943	435,156		(3,674,787)
Central services	385,528	70,134		(315,394)
Food services	4,072,033	727,610	2,086,889	(1,257,534)
Community service programs	5,067			(5,067)
Interest on long-term debt	415,679			(415,679)
 Total Governmental Activities	 62,185,283	 727,610	 13,449,561	 (48,008,112)
 <b>General revenues:</b>				
<b>Taxes:</b>				
Property taxes, levied for general purposes				2,081,588
Property taxes, levied for debt services				1,581,419
Sales taxes, levied for general purposes				7,081,312
State revenue sharing				296,201
<b>Grants and contributions not restricted to specific programs</b>				
Minimum Foundation Program				36,134,378
Federal Forest Lands				301,428
Interest and investment earnings				484,683
Miscellaneous				742,593
 Total general revenues				 48,703,602
 Changes in net assets				 695,490
 Net assets - beginning				 18,482,164
 Net assets - ending				 \$ 19,177,654

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Vernon Parish School Board**

**FUND FINANCIAL STATEMENTS (FFS)**



HICKS SCHOOL



HORNBECK SCHOOL



LEESVILLE HIGH SCHOOL



VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet  
June 30, 2000

Statement C

	GENERAL	OTHER GOVERNMENTAL	TOTAL
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,936,337	\$ 377,743	\$ 2,314,080
Investments	4,396,552	2,249,187	6,645,739
Receivables	1,282,963	1,990,208	3,273,171
Interfund receivables	1,447,316	78,713	1,526,029
Inventory	0	62,791	62,791
<b>TOTAL ASSETS</b>	<b>9,063,168</b>	<b>4,758,642</b>	<b>13,821,810</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts, salaries and other payables	5,343,372	876,685	6,220,057
Interfund payables	29,300	1,496,729	1,526,029
Deferred revenues	0	22,182	22,182
Note payable	2,000,000	0	2,000,000
<b>Total Liabilities</b>	<b>7,372,672</b>	<b>2,395,596</b>	<b>9,768,268</b>
<b>Fund Balances:</b>			
Reserved for:			
Debt Service	0	1,595,803	1,595,803
Workers' Compensation	302,647	0	302,647
Unreserved, reported in:			
General Fund	1,387,849		1,387,849
Special Revenue Funds		767,243	767,243
Capital Projects Fund	0	0	0
<b>Total Fund Balances</b>	<b>1,690,496</b>	<b>2,363,046</b>	<b>4,053,542</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 9,063,168</b>	<b>\$ 4,758,642</b>	<b>\$ 13,821,810</b>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VERNON PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Assets  
June 30, 2000**

**Statement D**

Total fund balances - governmental funds \$ 4,053,542

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$ 50,178,999	
Depreciation expense to date	<u>(24,159,621)</u>	26,019,378

**Elimination of interfund assets and liabilities**

Interfund assets	(1,526,029)	
Interfund liabilities	<u>1,526,029</u>	0

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

**Balances at June 30, 2000 are:**

Long-term liabilities		
Compensated absences payable	(1,247,371)	
Bonds payable	(9,518,365)	
Interest payable	<u>(129,530)</u>	
		<u>(10,895,266)</u>
<b>Net Assets</b>		<b>\$ 19,177,654</b>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VERNON PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2000**

**Statement E**

	<u>GENERAL</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 1,037,062	\$ 2,625,945	\$ 3,663,007
Sales and use	7,081,312	0	7,081,312
Interest earnings	352,002	132,681	484,683
Food services	0	727,610	727,610
Other	555,532	260,872	816,404
State sources:			0
Equalization	35,675,277	459,101	36,134,378
Other	861,059	961,846	1,822,905
Federal sources	<u>5,619,370</u>	<u>6,604,915</u>	<u>12,224,285</u>
 Total Revenues	 <u>51,181,614</u>	 <u>11,772,970</u>	 <u>62,954,584</u>
 <b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	23,136,955	763,800	23,900,755
Special programs	7,495,186	1,286,099	8,781,285
Other instructional programs	1,965,812	1,705,887	3,671,699
Support services:			
Student services	2,201,705	230,765	2,432,470
Instructional staff support	1,734,960	623,816	2,358,776
General administration	1,081,008	296,621	1,377,629
School administration	3,045,016	44,311	3,089,327
Business services	492,974	31,859	524,833
Plant services	4,483,432	940,861	5,424,293
Student transportation services	3,979,682	113,052	4,092,734
Central services	351,355	34,173	385,528
Food services	123,251	3,850,435	3,973,686
Community service programs	5,067	0	5,067
Capital outlay	490,955	951,756	1,442,711
Debt service:			
Principal retirement	0	870,431	870,431
Interest and bank charges	<u>0</u>	<u>542,500</u>	<u>542,500</u>
 Total Expenditures	 <u>50,587,358</u>	 <u>12,286,366</u>	 <u>62,873,724</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 594,256</u>	 <u>\$ (513,396)</u>	 <u>\$ 80,860</u>

(CONTINUED)



**VERNON PARISH SCHOOL BOARD**

**GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures,  
and Changes In Fund Balances  
For the Year Ended June 30, 2000**

**Statement E**

	<u>GENERAL</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 180,886	\$ 594,836	\$ 775,722
Transfers out	<u>(594,836)</u>	<u>(180,886)</u>	<u>(775,722)</u>
Total Other Financing Sources (Uses)	<u>(413,950)</u>	<u>413,950</u>	<u>0</u>
Net Change in Fund Balances	180,306	(99,446)	80,860
FUND BALANCES - BEGINNING	<u>1,510,190</u>	<u>2,462,492</u>	<u>3,972,682</u>
FUND BALANCES - ENDING	<u>\$ 1,690,496</u>	<u>\$ 2,363,046</u>	<u>\$ 4,053,542</u>

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VERNON PARISH SCHOOL BOARD**

**Reconciliation of the Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2000**

**Statement F**

Total net change in fund balances - governmental funds	\$	80,860
--	----	--------

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:

Depreciation expense	\$1,658,067	
Capital outlays	(1,442,711)	(215,356)

Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.		870,431
---	--	---------

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$660,180) exceeded the amounts used (\$540,694) by \$119,486.		(119,486)
---	--	-----------

In the Statement of Activities, scrapping of capital assets are reported as a gain or loss net of the book value.

Cost of assets scrapped	\$102,685	
Accumulated depreciation	(67,122)	
Net loss	35,563	(35,563)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		114,604
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Change in net assets of governmental activities.	\$	<u>695,490</u>
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**VERNON PARISH SCHOOL BOARD**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**June 30, 2000**

**Statement G**

	<u><b>AGENCY FUNDS</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$       528,408
Investments	<u>                  0</u>
<b>TOTAL ASSETS</b>	<u>              528,408</u>
<b>LIABILITIES</b>	
Deposits due others	<u>              528,408</u>
<b>TOTAL LIABILITIES</b>	<u><b>\$       528,408</b></u>

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

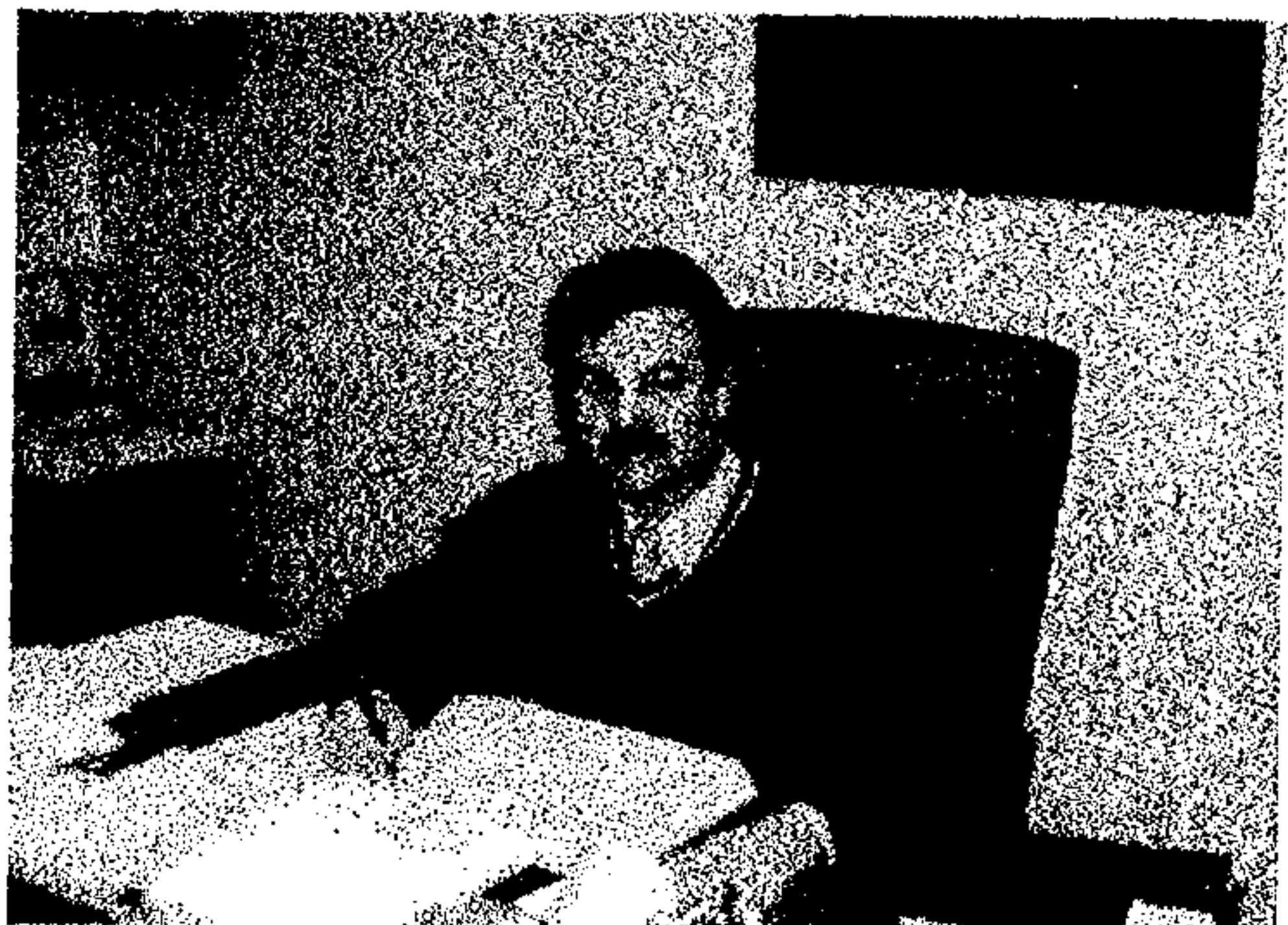




LEESVILLE JUNIOR HIGH SCHOOL



PICKERING ELEMENTARY SCHOOL



PICKERING HIGH SCHOOL

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

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**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The accompanying financial statements of the Vernon Parish School Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. REPORTING ENTITY** The Vernon Parish School Board was created by Louisiana Revised Statute (LSA-R.S.) 17:51 to provide public education for the children within Vernon Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of fifteen members who are elected from seven districts for terms of four years.

The School Board operates eighteen schools within the parish with a total enrollment of 10,029 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement No. 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

**B. FUNDS** The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

**Governmental Funds** Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

**General fund** – the primary operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

**Special revenue funds** – account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Debt service funds** – account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

**Capital project fund** – accounts for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

**Fiduciary Funds** Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

*Agency funds* are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

**School activity fund** – accounts for assets held by the School Board as an agent for the individual schools and school organizations.



**Vernon Parish School Board  
Notes to the Basic Financial Statements**

**Scholarship fund** – accounts for voluntary employee contributions and is used to provide an annual scholarship for a graduate from the parish schools.

**Sales tax fund** – accounts for monies collected on behalf of other taxing authorities within the parish.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**Government-Wide Financial Statements (GWFS)** The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

**Program revenues** Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

**Allocation of indirect expenses** The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Fund Financial Statements (FFS)**

**Governmental Funds** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

**Ad valorem taxes and sales taxes** are susceptible to accrual.

**Entitlements and shared revenues** (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

**Other receipts** become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

**Expenditures**

**Salaries** are recorded as paid. Salaries for nine-month employees are accrued at June 30.

**Other Financing Sources (Uses)** Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**Fiduciary Funds** The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

**D. ENCUMBRANCES** Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**E. CASH AND CASH EQUIVALENTS** Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**F. INVESTMENTS** Under state law, the School Board may invest in United States bonds treasury notes or certificates. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in certificates of deposits are stated at amortized cost. Investments in U. S. Treasury securities are stated at amortized cost. Investments in the Louisiana Asset Management Pool (LAMP) are valued at fair value.

The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The School Board reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

**Definitions:**

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.



**Vernon Parish School Board  
Notes to the Basic Financial Statements**

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities and is designed to comply with restriction on investments by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, as amended, which governs money market funds (although the LAMP is not a money market fund and has no obligation to conform to this rule.) In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

**G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES** During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

**H. ELIMINATION AND RECLASSIFICATIONS** In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**I. INVENTORY** Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

**J. CAPITAL ASSETS** Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	10 - 40 years
Furniture and equipment	3 - 10 years

Public domain (infrastructure) general fixed assets (e.g. roads, bridges, sidewalks and other assets that are immovable and of value only to the government) were not capitalized for periods prior to July 1, 1999. This policy was changed for the year ended June 30, 2000, with the implementation of GASB Statement No. 34. Infrastructure assets will be reconstructed during the four-year implementation period for infrastructure assets if the infrastructure assets meet the criteria of major general infrastructure assets. Interest during construction was not capitalized on capital assets prior to July 1, 1999. However, as permitted by GASB Statement No. 34, capitalization of interest cost will be applied prospectively.

**K. DEFERRED REVENUES** The School Board reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when



**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

**L. COMPENSATED ABSENCES** All 12-month employees earn ten days of vacation leave each year. Employees cannot accumulate more than 13 days of vacation leave. Upon retirement, unused vacation leave of up to 13 days is paid to employees.

All School Board employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The School Board's recognition and measurement criteria for compensated absences follows:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave which includes salary-related payments.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

**M. LONG-TERM LIABILITIES** For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**N. RESTRICTED NET ASSETS** For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

**O. FUND BALANCES OF FUND FINANCIAL STATEMENTS** Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**P. INTERFUND ACTIVITY** Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**Q. SALES TAXES** The Vernon Parish School Board has the following two sales tax ordinances:

The School Board collects a one cent parish-wide sales and use tax as authorized in a special election held January 12, 1991. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System" and for benefits of the retirees of the Vernon Parish School System.

The School Board collects a one cent parish-wide sales and use tax authorized in a special election held March 31, 1973. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System."

**R. USE OF ESTIMATES** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. DEFICIT FUND BALANCES** The following funds have a deficit fund balance at June 30, 2000:

<u>Fund</u>	<u>Amount</u>
Special revenue	
Ward 2 - Hornbeck	\$21,494
Debt service	
Ward Four	3,076

**NOTE 3 - LEVIED TAXES** The School Board levies taxes on real and business personal property located within Vernon Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Vernon Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Vernon Parish sheriff's office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Millage rates adopted	September 5, 1999
Levy date	September 25, 1999
Tax bills mailed	November 19, 1999
Due date	December 30, 1999
Lien date	March 29, 2000
Tax sale - 1999 delinquent property	May 3, 2000



**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

Assessed values are established by the Vernon Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$110,487,800 in calendar year 1999. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$31,304,880 of the assessed value in calendar year 1999.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, maintenance funds (special revenue) and debt service funds. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. Available means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The remaining property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

The tax roll is prepared by the parish tax assessor in November of each year, therefore, the amount of 2000 property taxes to be collected occurs in December and January and February of the next year. As a result, no property taxes receivable for 2000 taxes is included on the accompanying balance sheet because it is not available within 60 days of the School Board's year-end.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional	Statutory	3.70	3.70	Statutory
Maintenance and operation	April 29, 1995	7.17	7.17	2005

District maintenance and operations taxes:

<u>Ward</u>		<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
1		April 29, 1995	13.03	13.03	2005
2	Hornbeck	April 29, 1995	13.32	13.32	2005
2	Orange	April 29, 1995	13.24	13.24	2005
3		January 18, 1997	13.00	13.00	2006
4	Pickering	March 26, 1994	13.98	13.98	2003
5		March 26, 1994	13.37	13.37	2003
6		March 26, 1994	12.59	12.59	2003
7		March 10, 1992	13.00	13.00	2000
8		March 26, 1994	13.48	13.48	2003



**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

District sinking fund taxes:

<u>Ward</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
1	Variable	3.50	2003
2   Hornbeck	Variable	70.00	2013
2   Orange	Variable	40.00	2008
3	Variable	8.28	2022
4   Pickering	Variable	29.00	2015
5	Variable	32.00	2012
6	Variable	25.00	2024
7	Variable	30.00	2015
8	Variable	63.33	2008

**NOTE 4 - DEPOSITS AND INVESTMENTS** At June 30, 2000, the School Board has cash and cash equivalents (book balances) of \$2,314,080.

Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the School Board's carrying amount of deposits was \$4,842,488 (including a \$2,000,000 certificate of deposit classified as an investment) and the bank balance was \$9,377,588. Of the bank balance, \$323,448 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance, \$9,054,140, was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances included the following:

<u>Type of investment</u>	<u>Category</u>	<u>Carrying Amount Fair Value</u>	<u>Total Carrying Amount</u>
U. S. Government Security	1	\$ 302,647	\$ 302,647
Investments not subject to categorization:			
External investment pool	-	4,343,092	4,343,092
Total investment	<u>\$302,647</u>	<u>\$4,645,739</u>	<u>\$4,645,739</u>

As discussed later in Note 13 Restricted Net Assets, the U. S. Government Security is pledged to the Louisiana Office of Workers' Compensation.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 5 - RECEIVABLES** The receivables of \$3,273,171 at June 30, 2000, are as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:			
Ad valorem	\$ 113,814	\$ 87,172	\$ 200,986
Sales tax	683,855	-	683,855
Intergovernmental - grants:			
Federal	319,511	1,467,155	1,786,666
State	121,344	308,896	430,240
Other	44,439	126,985	171,424
Total	<u>\$1,282,963</u>	<u>\$1,990,208</u>	<u>\$3,273,171</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

**NOTE 6 - CAPITAL ASSETS** Capital assets balances and activity for the year ended June 30, 2000, is as follows:

	<u>Balance, July 1, 1999</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2000</u>
<i>Governmental activities:</i>				
Land	\$ 1,011,870	\$ 190,000	\$ -	\$ 1,201,870
Buildings	39,951,213	-	-	39,951,213
Furniture and equipment	7,875,890	1,252,711	(102,685)	9,025,916
Total	<u>48,838,973</u>	<u>1,442,711</u>	<u>(102,685)</u>	<u>50,178,999</u>
Less accumulated depreciation				
Buildings	(16,944,475)	( 943,971)	-	(17,888,446)
Furniture and equipment	( 5,624,201)	( 719,845)	72,871	( 6,271,175)
Total	<u>(22,568,676)</u>	<u>(1,663,816)</u>	<u>72,871</u>	<u>(24,159,621)</u>
Governmental activities				
Capital assets, net	<u>\$ 26,270,297</u>	<u>\$( 221,105)</u>	<u>\$( 29,814)</u>	<u>\$ 26,019,378</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 991,229
Special programs	32,721
Other instructional programs	331,035
Instructional staff support	23,836
General administration	48,892
School administration	67,677
Business services	3,696
Plant services	49,174
Student transportation services	17,209
Food services	98,347
Total depreciation expense	<u>\$1,663,816</u>

**NOTE 7 - RETIREMENT SYSTEMS**

**Plan Description** Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana

**Vernon Parish School Board  
Notes to the Basic Financial Statements**

Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana  
Post Office Box 94123  
Baton Rouge, Louisiana 70804-9123  
(225) 925-6446

Louisiana School Employees' Retirement System  
Post Office Box 44516  
Baton Rouge, Louisiana 70804  
(225) 925-6484

**Funding Policy** Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974. The School Board's employer contribution for the TRS, as provided by state law, is funded by the state of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board. For the LSERS, the School Board's employer contribution is funded by the state of Louisiana through annual appropriations.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2000, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.00%	15.20%
Plan A	9.10%	15.20%
Louisiana School Employees' Retirement System	6.35%	0.00%

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 2000 amounted to \$31,535,303, \$372,467, and \$3,861,481, respectively. Employer contributions for the year ended June 30, 2000 and each of the two preceding years are as follows:



**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

	.....TRS.....		.....LSERS.....	
	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid	Annual Actuarially Required Contribution	Percentage of Annual Required Contribution Paid
<u>Fiscal Year Ending</u>				
June 30, 1998	\$5,667,749	88.89	\$257,597	96.31
June 30, 1999	5,579,950	93.62	247,885	101.94
June 30, 2000	5,623,308	86.25	-	100.00

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 2000. Each annual actuarially required contribution for the year ended June 30, 2000, is based upon each plan's annual financial report for the year ended June 30, 1999, which is the latest information available.

**NOTE 8 - OTHER POST EMPLOYMENT BENEFITS** In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was \$383,600 for 274 retirees.

**NOTE 9 - ACCOUNTS, SALARIES AND OTHER PAYABLES** The payables of \$6,220,057 at June 30, 2000, are as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Salaries	\$4,307,586	\$495,437	\$4,803,023
Accounts	1,035,786	381,248	1,417,034
Total	<u>\$5,343,372</u>	<u>\$876,685</u>	<u>\$6,220,057</u>

**NOTE 10 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY)** A summary of changes in agency fund deposits due others follows:

	<u>Balance at Beginning Of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance At End Of Year</u>
Agency:				
School activity	\$581,832	\$ 2,301,445	\$ 2,357,799	\$525,478
Scholarship	4,104	2,424	3,598	2,930
Sales tax	-	14,375,054	14,375,054	-
Total	<u>\$585,936</u>	<u>\$16,678,923</u>	<u>\$16,736,451</u>	<u>\$528,408</u>

**NOTE 11 - LONG-TERM LIABILITIES** The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2000:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation debt	\$10,372,752	\$ -	\$ 854,387	\$ 9,518,365	\$ 905,481
Other Liabilities:					
Compensated absences	1,127,885	660,180	540,694	1,247,371	540,694
Notes payable	-	2,000,000	-	2,000,000	2,000,000
Capital leases	16,044	-	16,044	-	-
Governmental Activities					
Long-term liabilities	<u>\$11,516,681</u>	<u>\$2,660,180</u>	<u>\$1,411,125</u>	<u>\$12,765,736</u>	<u>\$3,446,175</u>

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 88% was paid by the general fund, 2% by Title I fund, 5% by the school food service fund and the remaining 5% by other governmental funds. The note payable will be paid by the general fund.

All School Board bonds outstanding at June 30, 2000, are general obligation bond. The individual issues are as follows:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
<b>WARD I</b>					
March 1, 1976	\$2,000,000	6.00	2001	\$ 300	\$ 5,000
March 1, 1977	220,000	5.00	2002	750	10,000
March 1, 1992	1,020,000	5.90 - 6.50	2003	48,595	370,000
<b>WARD II - ORANGE</b>					
February 3, 1994	1,470,000	3.75 - 5.20	2008	262,242	1,110,000
<b>WARD II - HORNBECK</b>					
February 3, 1994	550,000	3.75 - 4.90	2005	51,586	355,000
December 1, 1997	532,000	1.00 - 7.75	2011	237,077	463,000
<b>WARD III</b>					
April 30, 1982	1,438,000	5.00	2022	765,500	1,135,000
<b>WARD IV</b>					
March 1, 1976	490,000	6.00	2001	60	1,000
February 3, 1994	995,000	3.75 - 5.00	2006	122,347	700,000
December 1, 1997	1,230,000	4.10 - 5.00	2010	267,625	990,000
<b>WARD V</b>					
February 3, 1994	585,000	3.75 - 4.75	2004	43,442	365,000
December 1, 1997	616,000	1.00 - 7.75	2009	197,920	499,000
<b>WARD VI</b>					
November 16, 1993	\$1,500,000	5.126	2024	1,077,938	1,280,365
<b>WARD VII</b>					
February 3, 1994	1,805,000	3.75 - 5.60	2015	574,044	1,370,000
<b>WARD VIII</b>					
February 3, 1994	1,150,000	3.75 - 5.20	2008	205,332	865,000
<b>Total</b>				<u>\$3,854,758</u>	<u>\$9,518,365</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2000, the School Board had accumulated \$1,595,803 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2001	\$ 905,481	\$ 503,564	\$ 1,409,045
2002	942,988	460,109	1,403,097
2003	977,578	412,648	1,390,226
2004	906,255	362,136	1,268,391
2005	841,024	316,417	1,157,441
2006 and thereafter	<u>4,945,039</u>	<u>1,799,884</u>	<u>6,744,923</u>
<b>Total</b>	<u>\$9,518,365</u>	<u>\$3,854,758</u>	<u>\$13,373,123</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2000, the statutory limit is \$38,670,730 and outstanding net bonded debt totals \$7,922,562.

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

The School Board sold a \$2,000,000 certificate of indebtedness, Series 1999, to pay the cost of re-entry into the school employees' hospitalization insurance program. The certificate bears an interest rate of 4.75% per annum, payable semi-annually with final payment on December 1, 2001. The note is payable from the excess of revenues over expenses in the general fund so the liability has been recorded in the general fund. Principal is due in 2 installments, \$500,000 and \$1,500,000 due December 1, 2000 and December 1, 2001, respectively.

**NOTE 12 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)**

**Interfund Receivables/Payables:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Ward 2 - Hornbeck Maintenance	\$ 27,543
	Other Special Funds	194,194
	8G State Funds	35,486
	Drug Free Schools	45,826
	Adult Education	46,672
	Vocational Education	124,026
	Special Education	91,924
	School Food Service	5,084
	Title I	469,926
	Title VI	111,570
	Math and Science - Title II	1,281
	Sales Tax	20,886
	Head Start	149,227
	Preschool	98,063
	Ward 4 - Debt Service	25,607
8G State Funds	General	4,229
	Special Education	196
Drug Free Schools	Math and Science - Title II	7,133
Adult Education	General	11,898
Vocational Education	General	2,754
	Other Special Funds	40,407
Special Education	Other Special Funds	1,680
Title I	General	1,103
Sales Tax	General	8,311
Preschool	General	1,003
Total		<u>\$1,526,029</u>

**NOTE 13 - RESTRICTED NET ASSETS** The School Board entered into a security agreement with the state of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's \$302,647 U. S. Government Security. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit. The following is a summary of transactions relating to the restricted net assets for the year ended June 30, 2000:

	<u>Restricted for Workers' Compensation Security Deposit</u>
Balance at July 1, 1999	\$291,266
Additions	11,381
Deletions	-
Balance at June 30, 2000	<u>\$302,647</u>



**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

**NOTE 14 - INTERFUND TRANSFERS (FFS LEVEL ONLY)** Transfers for the year ended June 30, 2000, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$180,886	\$594,836
Special revenue:		
School food service	557,257	75,000
Ward 7	37,579	-
Sales tax	-	105,886
Totals	<u>\$775,722</u>	<u>\$775,722</u>

**NOTE 15 - ENCUMBRANCES (FFS LEVEL ONLY)** Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2000, the School Board had entered into purchase orders and commitments as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Total encumbrances	<u>\$796,714</u>	<u>\$546,859</u>	<u>\$1,343,573</u>

**NOTE 16 - RISK MANAGEMENT** The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2000, such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$200,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. The liability for claims and judgments of \$14,910 is reported in the general fund.

Changes in the claims amount in previous fiscal years were as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Ending of Fiscal Year Liability</u>
1997-1998	\$5,977	\$134,688	\$130,748	\$ 9,917
1998-1999	9,917	284,636	293,952	601
1999-2000	601	360,300	345,991	14,910

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 17 - LITIGATION AND CLAIMS**

**Litigation** At June 30, 2000, the School Board is involved in various litigation. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

**Self-Insurance** The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$200,000 per occurrence for each employee.

**Grant Disallowances** The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the

**Vernon Parish School Board**  
**Notes to the Basic Financial Statements**

grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

**Tax Arbitrage Rebate** Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

**NOTE 18 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES** On-bchalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$31,323. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

**NOTE 19 - SUBSEQUENT EVENTS** The School Board paid off the \$2,000,000 certificate of indebtedness which is due to be paid off in December 2000.

**REQUIRED SUPPLEMENTAL  
INFORMATION  
(Part B)**

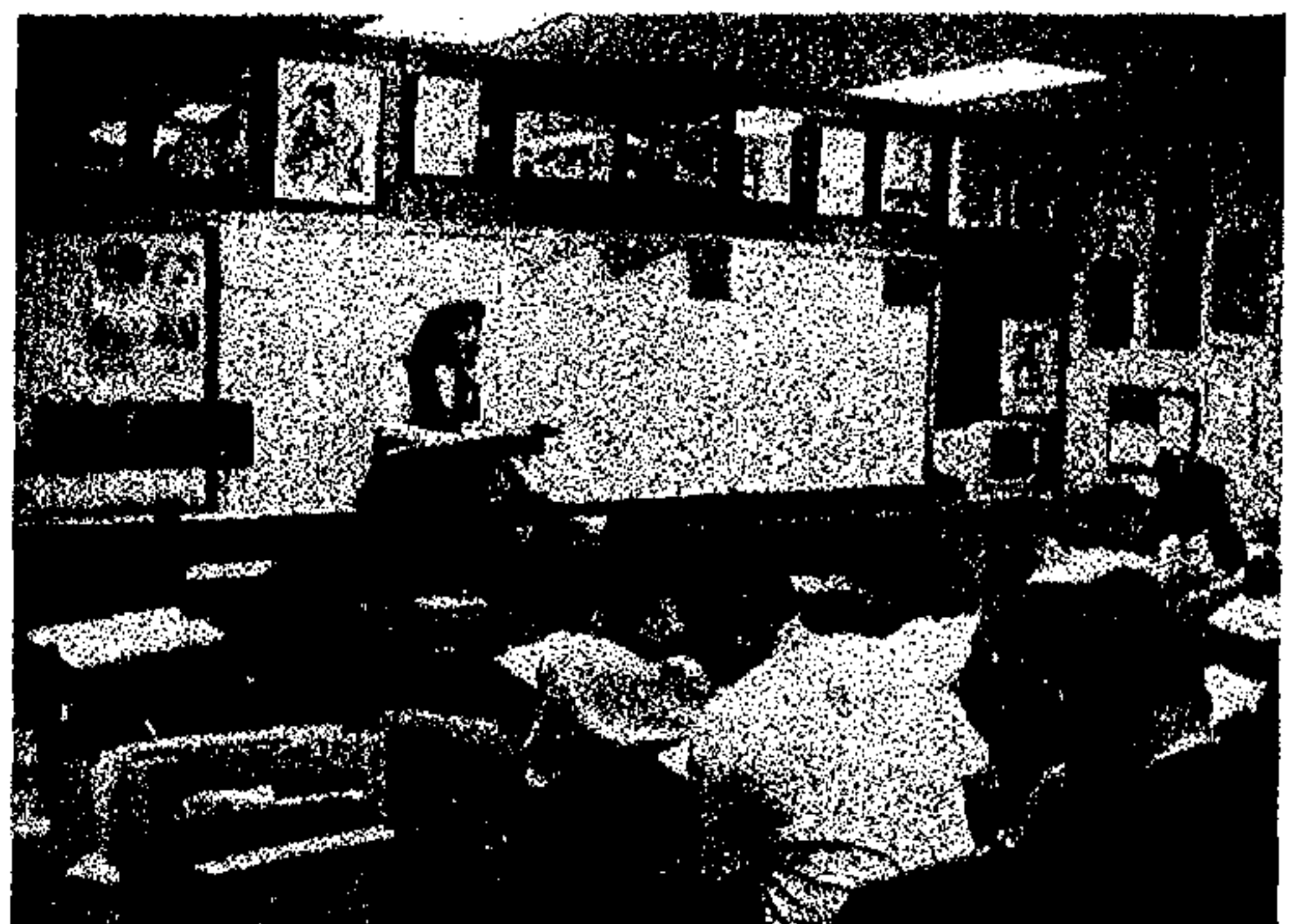




PITKIN SCHOOL



ROSEPINE ELEMENTARY SCHOOL



ROSEPINE HIGH SCHOOL

**Vernon Parish School Board**

**Budgetary Comparison Schedule**

**General Fund and Any Major Special Revenue Funds With Legally Adopted Budgets**

**GENERAL FUND** The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

**VERNON PARISH SCHOOL BOARD**

**GENERAL FUND  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2000**

**Exhibit 1**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>(Budgetary Basis)</u>	
BUDGETARY FUND BALANCES, BEGINNING	\$ 2,005,789	\$ 1,556,758	\$ 1,666,761	\$ 110,003
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	900,000	950,974	950,986	12
Sales and use	6,500,000	7,081,311	7,081,312	1
Interest earnings	300,000	352,001	352,002	1
Other	45,098	535,613	535,613	0
State sources:				
Equalization	36,346,770	35,675,277	35,675,277	0
Other	778,181	861,058	861,059	1
Federal sources	4,379,000	5,619,369	5,619,370	1
Transfers from other funds	410,000	590,155	649,896	59,741
Amounts available for appropriations	<u>51,664,838</u>	<u>53,222,516</u>	<u>53,392,276</u>	<u>\$ 169,760</u>
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	22,075,394	23,121,815	23,122,104	\$ (289)
Special programs	7,081,242	7,544,825	7,544,826	(1)
Other instructional programs	1,972,030	1,970,103	1,970,771	(668)
Support services:				
Student services	1,954,551	2,203,647	2,203,819	(172)
Instructional staff support	1,633,286	1,737,373	1,737,390	(17)
General administration	1,090,228	1,120,200	1,119,482	718
School administration	3,008,624	3,173,697	3,173,702	(5)
Business services	414,368	494,659	494,666	(7)
Plant services	4,449,079	4,470,602	4,535,614	(65,012)
Student transportation services	3,974,240	3,979,672	3,979,682	(10)
Central services	265,494	372,604	372,611	(7)
Food services	103,044	249,605	249,606	(1)
Community service programs	6,000	5,066	5,067	(1)
Capital Outlay	0	82,802	82,802	0
Transfers to other funds	0	1,082,291	1,099,292	(17,001)
Total charges to appropriations	<u>48,027,580</u>	<u>51,608,961</u>	<u>51,691,434</u>	<u>\$ (82,473)</u>
BUDGETARY FUND BALANCES, ENDING	<u>\$ 3,637,258</u>	<u>\$ 1,613,555</u>	<u>\$ 1,700,842</u>	<u>\$ 87,287</u>



**Vernon Parish School Board**  
**Notes to Budgetary Comparison Schedules**

**A. BUDGETS**

**General Budget Policies** The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 1999-2000 general fund original budget. Budgeted revenues were increased \$2.5 million due to an unexpected increase in state Minimum Foundation Program funds and an unexpected change in federal unrestricted funds (Impact Aid). Budgeted expenditures were also increased \$2.5 million to account for the increase in salaries and purchased professional services. The amount of transfers to other funds established in the amended budget was \$1.6 million.

**Encumbrances** Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

**Budget Basis of Accounting** All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

**B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS** Many funds reflected unfavorable budget variances of less than \$100. Because these amounts are immaterial, both individually and collectively, they have not been listed below.

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2000:

<u>Major Funds</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General	\$51,608,961	\$51,691,434	\$82,473
<u>Non Major</u>			
Special Revenue:			
8G State Funds	168,863	170,022	1,159
Special Education	703,968	727,823	23,855
Headstart	1,086,213	1,102,285	16,072

Actual expenditures exceeded appropriations as a result of unanticipated accruals occurring after the last budget revision.

**VERNON PARISH SCHOOL BOARD**  
**Leesville, Louisiana**

**Notes to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2000**

**Note B - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

	<u><b>GENERAL FUND</b></u>
<u><b>Sources/inflows of resources:</b></u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 53,392,276
 The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	 (1,666,761)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	 (649,896)
Prior year audit adjustment to increase ad valorem taxes not included in budgetary resources	 86,076
Audit adjustment to record additional local revenue	<u>19,919</u>
 Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	  <u>\$ 51,181,614</u>
<u><b>Uses/outflows of resources:</b></u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 51,691,434
 Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	 (1,099,292)
Prior year audit adjustments to decrease expenditures that were not included for budgetary purposes	 <u>(4,784)</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	  <u>\$ 50,587,358</u>

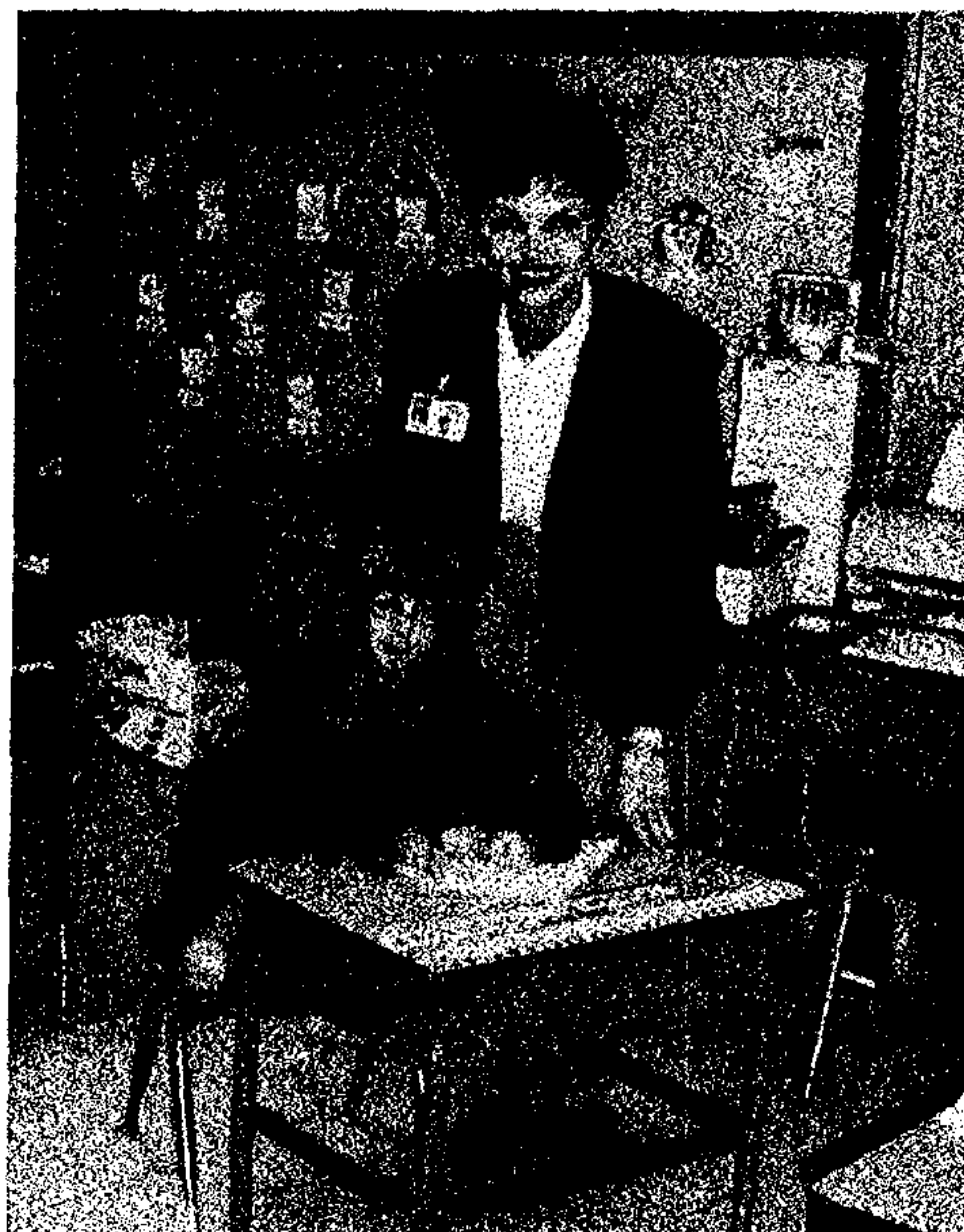
**Vernon Parish School Board**

**SUPPLEMENTAL INFORMATION**





SOUTH POLK ELEMENTARY SCHOOL



WEST LEESVILLE ELEMENTARY SCHOOL

**COMBINING  
NONMAJOR GOVERNMENTAL FUNDS -  
BY FUND TYPE**

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Balance Sheet - By Fund Type**  
**June 30, 2000**

Exhibit 2

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 339,898	\$ 37,845	\$ 0	\$ 377,743
Investments	727,610	1,521,577	0	2,249,187
Receivables	1,928,115	62,093	0	1,990,208
Interfund receivables	78,713	0	0	78,713
Inventory	62,791	0	0	62,791
<b>TOTAL ASSETS</b>	<u>3,137,127</u>	<u>1,621,515</u>	<u>0</u>	<u>4,758,642</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	876,580	105	0	876,685
Interfund payables	1,471,122	25,607	0	1,496,729
Deferred revenue	22,182	0	0	22,182
<b>Total Liabilities</b>	<u>2,369,884</u>	<u>25,712</u>	<u>0</u>	<u>2,395,596</u>
<b>Fund Balances:</b>				
Reserved for debt service	0	1,595,803	0	1,595,803
Unreserved, reported in Special Revenue	767,243	0	0	767,243
<b>Total Fund Balances</b>	<u>767,243</u>	<u>1,595,803</u>	<u>0</u>	<u>2,363,046</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,137,127</u>	<u>\$ 1,621,515</u>	<u>\$ 0</u>	<u>\$ 4,758,642</u>



**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - By Fund Type**  
**For the Year Ended June 30, 2000**

Exhibit 3

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>TOTAL</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 1,044,526	\$ 1,581,419	\$ 0	\$ 2,625,945
Interest earnings	47,273	85,408	0	132,681
Food services	727,610	0	0	727,610
Other	260,103	769	0	260,872
State sources:				
Equalization	459,101	0	0	459,101
Other	961,846	0	0	961,846
Federal sources	6,604,915	0	0	6,604,915
 Total Revenues	 10,105,374	 1,667,596	 0	 11,772,970
 <b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	763,800	0	0	763,800
Special programs	1,286,099	0	0	1,286,099
Other instructional programs	1,705,887	0	0	1,705,887
Support services:				
Student services	230,765	0	0	230,765
Instructional staff support	623,816	0	0	623,816
General administration	246,695	49,359	567	296,621
School administration	44,311	0	0	44,311
Business services	31,859	0	0	31,859
Plant services	940,861	0	0	940,861
Student transportation services	113,052	0	0	113,052
Central services	34,173	0	0	34,173
Food services	3,850,435	0	0	3,850,435
Community service programs	0	0	0	0
Capital outlay	951,756	0	0	951,756
Debt service:				
Principal retirement	16,044	854,387	0	870,431
Interest and bank charges	103	542,397	0	542,500
 Total Expenditures	 10,839,656	 1,446,143	 567	 12,286,366
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 \$ (734,282)	 \$ 221,453	 \$ (567)	 \$ (513,396)

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**NONMAJOR GOVERNMENTAL FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances- By Fund Type**  
**For the Year Ended June 30, 2000**

Exhibit 3

	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 594,836	\$ 0	\$ 0	\$ 594,836
Transfers out	(180,886)	0		(180,886)
Total Other Financing Sources (Uses)	413,950	0	0	413,950
Net Change in Fund Balances	(320,332)	221,453	(567)	(99,446)
FUND BALANCES - BEGINNING	1,087,575	1,374,350	567	2,462,492
FUND BALANCES - ENDING	\$ 767,243	\$ 1,595,803	\$ 0	\$ 2,363,046

(CONCLUDED)

## **Vernon Parish School Board**

### **Nonmajor Special Revenue Funds**

#### **MAINTENANCE FUNDS**

Ward 1  
Ward 2 - Orange  
Ward 2 - Hornbeck  
Ward 3  
Ward 4  
Ward 5  
Ward 6  
Ward 7  
Ward 8

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district.

**OTHER SPECIAL FUNDS** This fund represents various small state and federally funded programs for advancement of education in Vernon Parish.

**JOB TRAINING PARTNERSHIP ACT (JTPA)** To provide job training and related assistance to economically disadvantaged individuals and others who face significant employment barriers. The ultimate goal of the Act is to move trainees into permanent, self-sustaining employment.

**8G STATE FUNDS** The 8G State Fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

**DRUG FREE SCHOOLS** To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**ADULT EDUCATION** To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

#### **VOCATIONAL EDUCATION**

**BASIC GRANTS TO STATES** To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

**TECH-PREP EDUCATION** To distribute funds to states to enable them to provide planning and demonstration grants to consortia of local educational agencies and postsecondary educational agencies, for the development and operation of four-year programs designed to provide a tech-prep education program leading to a two-year associate degree or a two-year certificate and to provide, in a systematic manner, strong, comprehensive links between secondary schools and postsecondary educational institutions.

**SPECIAL EDUCATION** To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.



## **Vernon Parish School Board**

**SCHOOL FOOD SERVICE** To assist through grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

**FOOD PROCESSING CENTERS** The food processing centers receive revenues from sales and services for the purpose of operating the food processing centers.

**TITLE I** To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

**TITLE VI** To assist state and local educational agencies to improve elementary and secondary education.

Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promising education reform projects; promoting higher order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

**MATH AND SCIENCE - TITLE II** To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.

**GOALS 2000** The Goals 2000 program provides grants to State Education Agencies (SEAs) on a formula basis to support the development and implementation of comprehensive reform plans at the state, local, and school levels to improve the teaching and learning of all children. It supports top down and bottom up reform through subgrants by SEAs of 90 percent of these grant funds to local education agencies (LEAs) and through LEAs to individual schools. It supports the establishment by states and localities of high standards in their core content areas. All aspects of the educational process are aligned, including, but not limited to assessments, curriculum, professional development, and pre-service training.

**SALES TAX** Vernon Parish School Board is the centralized sales tax collection agency for all taxing authorities in Vernon Parish. As a result, Vernon Parish School Board receives a fee of 1.5 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department.

**HEADSTART** To provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children, including Indian children on federally-recognized reservations, and children of migratory workers and their families; and to involve parents in activities with their children so that the children will attain overall social competence.

**PRESCHOOL** To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2000**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 13,473	\$ 9,174	\$ 2,913	\$ 2,411
Investments	142,120	58,093	5,171	227,346
Receivables	14,974	2,637	2,649	3,169
Interfund receivables	0	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>170,567</u>	<u>69,904</u>	<u>10,733</u>	<u>232,926</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	71,875	1,666	4,684	11,026
Deferred revenue	0	0	0	0
Interfund payables	0	0	27,543	0
<b>Total Liabilities</b>	<u>71,875</u>	<u>1,666</u>	<u>32,227</u>	<u>11,026</u>
<b>Fund Balances:</b>				
Unreserved - undesignated	<u>98,692</u>	<u>68,238</u>	<u>(21,494)</u>	<u>221,900</u>
<b>Total Fund Balances</b>	<u>98,692</u>	<u>68,238</u>	<u>(21,494)</u>	<u>221,900</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 170,567</u>	<u>\$ 69,904</u>	<u>\$ 10,733</u>	<u>\$ 232,926</u>

Exhibit 4

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 16,760	\$ 3,318	\$ 4,151	\$ 3,866	\$ 5,226
87,813	115,913	18,579	58,402	15,759
7,754	935	2,436	1,623	1,199
0	0	0	0	0
0	0	0	0	0
<u>112,327</u>	<u>120,166</u>	<u>23,166</u>	<u>63,891</u>	<u>22,184</u>
19,470	2,168	376	13,986	1,075
0	0	0	0	0
0	0	0	0	0
<u>19,470</u>	<u>2,168</u>	<u>376</u>	<u>13,986</u>	<u>1,075</u>
<u>92,857</u>	<u>117,998</u>	<u>22,790</u>	<u>49,905</u>	<u>21,109</u>
<u>92,857</u>	<u>117,998</u>	<u>22,790</u>	<u>49,905</u>	<u>21,109</u>
\$ <u>112,327</u>	\$ <u>120,166</u>	\$ <u>23,166</u>	\$ <u>63,891</u>	\$ <u>22,184</u>

(CONTINUED)



**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2000**

	<b>OTHER SPECIAL FUNDS</b>	<b>JOB TRAINING PARTNERSHIP ACT (JTPA)</b>	<b>8G STATE FUNDS</b>	<b>DRUG FREE SCHOOLS</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 40,095	\$ 0	\$ 0	0
Investments	0	0	0	0
Receivables	253,297	0	50,505	40,665
Interfund receivables	0	0	4,425	7,132
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<b>293,392</b>	<b>0</b>	<b>54,930</b>	<b>47,797</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	34,329	0	19,444	1,971
Deferred revenue	0	0	0	0
Interfund payables	236,280	0	35,486	45,826
<b>Total Liabilities</b>	<b>270,609</b>	<b>0</b>	<b>54,930</b>	<b>47,797</b>
<b>Fund Balances:</b>				
Unreserved - undesignated	22,783	0	0	0
<b>Total Fund Balances</b>	<b>22,783</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 293,392</b>	<b>\$ 0</b>	<b>\$ 54,930</b>	<b>\$ 47,797</b>

Exhibit 4

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 0	\$ 0	\$ 210,928	\$ 6,254
0	0	0	414	0
42,260	114,125	109,454	80,695	1,263
11,898	43,161	1,680	0	0
0	0	0	62,791	0
54,158	157,286	111,134	354,828	7,517
7,486	33,260	19,014	284,770	0
0	0	0	22,182	0
46,672	124,026	92,120	5,084	0
54,158	157,286	111,134	312,036	0
0	0	0	42,792	7,517
0	0	0	42,792	7,517
\$ 54,158	\$ 157,286	\$ 111,134	\$ 354,828	\$ 7,517

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Balance Sheet**  
**June 30, 2000**

			MATH AND SCIENCE -	
	<u>TITLE I</u>	<u>TITLE VI</u>	<u>TITLE II</u>	<u>GOALS 2000</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	143
Investments	0	0	0	0
Receivables	630,198	144,261	13,500	0
Interfund receivables	1,103	0	0	0
Inventory	0	0	0	0
<b>TOTAL ASSETS</b>	<u>631,301</u>	<u>144,261</u>	<u>13,500</u>	<u>143</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts, salaries and other payables	161,375	32,691	5,087	0
Deferred revenue	0	0	0	0
Interfund payables	469,926	111,570	8,413	0
<b>Total Liabilities</b>	<u>631,301</u>	<u>144,261</u>	<u>13,500</u>	<u>0</u>
<b>Fund Balances:</b>				
Unreserved - undesignated	0	0	0	143
<b>Total Fund Balances</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>143</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 631,301</u>	<u>\$ 144,261</u>	<u>\$ 13,500</u>	<u>\$ 143</u>



Exhibit 4

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 20,886	\$ 0	\$ 300	\$ 339,898
0	0	0	727,610
12,664	280,833	117,019	1,928,115
8,311	0	1,003	78,713
0	0	0	62,791
<u>41,861</u>	<u>280,833</u>	<u>118,322</u>	<u>3,137,127</u>
47	130,521	20,259	876,580
0	0	0	22,182
<u>20,886</u>	<u>149,227</u>	<u>98,063</u>	<u>1,471,122</u>
<u>20,933</u>	<u>279,748</u>	<u>118,322</u>	<u>2,369,884</u>
<u>20,928</u>	<u>1,085</u>	<u>0</u>	<u>767,243</u>
<u>20,928</u>	<u>1,085</u>	<u>0</u>	<u>767,243</u>
<u>\$ 41,861</u>	<u>\$ 280,833</u>	<u>\$ 118,322</u>	<u>\$ 3,137,127</u>

(CONCLUDED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 411,998	\$ 47,252	\$ 28,669	\$ 88,288
Interest earnings	9,171	2,472	339	10,860
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	60,666	22,531	16,382	9,589
Federal sources	0	0	0	0
<b>Total Revenues</b>	<u>481,835</u>	<u>72,255</u>	<u>45,390</u>	<u>108,737</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	838	0	30	2,074
Special programs	0	0	0	0
Other instructional programs	62,912	8,924	3,422	6,011
Support services:				
Student services	0	0	0	0
Instructional staff support	0	262	0	0
General administration	13,205	1,530	870	2,828
School administration	20,353	66	5,376	162
Business services	270	13	0	0
Plant services	398,879	27,978	25,579	42,475
Student transportation services	13,072	4,815	5,794	3,933
Central services	0	0	52	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	43,671	13,413	36,529	8,137
Debt service:				
Principal retirement	16,044	0	0	0
Interest and bank charges	103	0	0	0
<b>Total Expenditures</b>	<u>569,147</u>	<u>57,001</u>	<u>77,652</u>	<u>65,620</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (87,312)</u>	<u>\$ 15,254</u>	<u>\$ (32,262)</u>	<u>\$ 43,117</u>

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 130,051	\$ 161,075	\$ 34,685	\$ 114,037	\$ 28,471
6,168	7,783	744	2,886	509
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
27,261	9,376	6,472	22,991	7,953
0	0	0	0	0
163,480	178,234	41,901	139,914	36,933
2,899	1,378	0	45	1,378
0	0	0	0	0
13,758	5,653	8,106	7,280	2,162
0	0	0	0	0
0	0	0	0	0
3,987	5,073	1,040	3,597	874
11,676	2,884	187	500	899
0	107	0	0	0
152,788	49,727	15,095	85,353	12,393
5,179	3,340	2,910	56,007	535
0	0	0	300	0
0	0	0	0	0
0	0	0	0	0
33,907	201,825	3,665	20,859	3,870
0	0	0	0	0
0	0	0	0	0
224,192	269,987	31,003	173,941	22,111
\$ (60,712)	\$ (91,753)	\$ 10,898	\$ (34,027)	\$ 14,822

(CONTINUED)



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 2000

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	(87,312)	15,254	(32,262)	43,117
FUND BALANCES - BEGINNING	<u>186,004</u>	<u>52,984</u>	<u>10,768</u>	<u>178,783</u>
FUND BALANCES - ENDING	<u>\$ 98,692</u>	<u>\$ 68,238</u>	<u>\$ (21,494)</u>	<u>\$ 221,900</u>

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 0	\$ 0	\$ 0	\$ 37,579	\$ 0
0	0	0	0	0
0	0	0	37,579	0
(60,712)	(91,753)	10,898	3,552	14,822
153,569	209,751	11,892	46,353	6,287
\$ 92,857	\$ 117,998	\$ 22,790	\$ 49,905	\$ 21,109

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	<b>OTHER SPECIAL FUNDS</b>	<b>JOB TRAINING PARTNERSHIP ACT (JTPA)</b>	<b>8G STATE FUNDS</b>	<b>DRUG FREE SCHOOLS</b>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 0	\$ 0	\$ 0	0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	28,394	0	0	0
State sources:				
Equalization	0	0	0	0
Other	194,853	0	163,422	0
Federal sources	217,930	15,721	6,600	57,353
<b>Total Revenues</b>	<b>440,977</b>	<b>15,721</b>	<b>170,022</b>	<b>57,353</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	81,981	12,403	24,385	4,875
Special programs	18,599	3,318	127,630	1,286
Other instructional programs	14,589	0	0	0
Support services:				
Student services	9,185	0	15,768	25,458
Instructional staff support	67,557	0	300	23,754
General administration	16,528	0	115	939
School administration	700	0	0	1,041
Business services	0	0	0	0
Plant services	3,909	0	0	0
Student transportation services	12,828	0	0	0
Central services	173	0	0	0
Food services	0	0	0	0
Community service programs	0	0	0	0
Capital Outlay	194,118	0	1,824	0
Debt service:				
Principal retirement	0	0	0	0
Interest and bank charges	0	0	0	0
<b>Total Expenditures</b>	<b>420,167</b>	<b>15,721</b>	<b>170,022</b>	<b>57,353</b>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 20,810</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>



Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	6,341	0
0	0	0	727,610	0
0	0	0	0	15,667
0	0	0	459,101	0
103,143	0	20,098	0	0
81,545	301,713	684,086	2,072,051	0
184,688	301,713	704,184	3,265,103	15,667
5,433	3,736	9,032	0	0
0	0	149,220	0	0
99,093	170,552	23,779	0	0
0	2,074	126,169	0	0
79,547	37,111	175,797	0	0
0	14,211	11,091	5,000	0
0	208	0	0	0
0	0	12,365	15,087	0
615	1,142	36,245	26,521	0
0	25	0	918	0
0	26,698	0	0	0
0	0	0	3,832,763	17,672
0	0	0	0	0
0	45,956	184,125	2,578	0
0	0	0	0	0
0	0	0	0	0
184,688	301,713	727,823	3,882,867	17,672
\$ 0	\$ 0	\$ (23,639)	\$ (617,764)	\$ (2,005)

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	<u>OTHER SPECIAL FUNDS</u>	<u>JOB TRAINING PARTNERSHIP ACT (JTPA)</u>	<u>8G STATE FUNDS</u>	<u>DRUG FREE SCHOOLS</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 0	\$ 0	\$ 0	0
Transfers out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Change In Fund Balances</b>	20,810	0	0	0
<b>FUND BALANCES - BEGINNING</b>	<u>1,973</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 22,783</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>

Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 0	\$ 0	\$ 557,257	\$ 0
0	0	0	(75,000)	0
0	0	0	482,257	0
0	0	(23,639)	(135,507)	(2,005)
0	0	23,639	178,299	9,522
\$ 0	\$ 0	\$ 0	\$ 42,792	\$ 7,517

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes In Fund Balances**  
**For the Year Ended June 30, 2000**

	<b>TITLE I</b>	<b>TITLE VI</b>	<b>MATH AND SCIENCE- TITLE II</b>	<b>GOALS 2000</b>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 0	\$ 0	\$ 0	\$ 0
Interest earnings	0	0	0	0
Food services	0	0	0	0
Other	0	0	0	0
State sources:				
Equalization	0	0	0	0
Other	0	0	0	13,171
Federal sources	<u>1,556,121</u>	<u>303,642</u>	<u>38,445</u>	<u>2,500</u>
 Total Revenues	 <u>1,556,121</u>	 <u>303,642</u>	 <u>38,445</u>	 <u>15,671</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular programs	22,482	261,268	33,381	15,492
Special programs	6,780	0	0	0
Other instructional programs	1,277,545	0	1,495	0
Support services:				
Student services	52,111	0	0	0
Instructional staff support	68,078	0	0	0
General administration	45,048	4,183	669	36
School administration	0	0	0	0
Business services	0	0	0	0
Plant services	38,570	0	0	0
Student transportation services	0	0	0	0
Central services	0	0	0	0
Food services	0	0	0	0
Community service	0	0	0	0
Capital Outlay	45,507	38,191	2,900	0
Debt service:				
Principal retirement	0	0	0	0
Interest and bank charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>1,556,121</u>	 <u>303,642</u>	 <u>38,445</u>	 <u>15,528</u>
 <b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>143</u>



Exhibit 5

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 1,044,526
0	0	0	47,273
0	0	0	727,610
216,042	0	0	260,103
0	0	0	459,101
0	0	284,138	961,846
0	1,103,370	163,838	6,604,915
216,042	1,103,370	447,976	10,105,374

0	1,984	278,706	763,800
0	882,946	96,320	1,286,099
0	0	608	1,705,887
0	0	0	230,765
0	153,527	17,883	623,816
91,489	22,131	2,251	246,695
0	0	259	44,311
4,017	0	0	31,859
4,748	19,024	20	940,861
0	2,385	1,311	113,052
6,725	225	0	34,173
0	0	0	3,850,435
0	0	0	0
0	20,063	50,618	951,756
0	0	0	16,044
0	0	0	103
106,979	1,102,285	447,976	10,839,656

\$ 109,063 \$ 1,085 \$ 0 \$ (734,282)

(CONTINUED)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	TITLE I		TITLE VI		MATH AND SCIENCE- TITLE II		GOALS 2000	
OTHER FINANCING SOURCES (USES)								
Transfers in	\$	0	\$	0	\$	0	\$	0
Transfers out		0		0		0		0
Total Other Financing Sources (Uses)		0		0		0		0
Net Change in Fund Balances		0		0		0		143
FUND BALANCES - BEGINNING		0		0		0		0
FUND BALANCES - ENDING	\$	0	\$	0	\$	0	\$	143

Exhibit 5

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 594,836
(105,886)	0	0	(180,886)
(105,886)	0	0	413,950
3,177	1,085	0	(320,332)
17,751	0	0	1,087,575
\$ 20,928	\$ 1,085	\$ 0	\$ 767,243

(CONCLUDED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-1

*****WARD 1 MAINTENANCE*****			
			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 411,998	\$ 411,998	\$ 0
Interest earnings	9,171	9,171	0
State sources: Other	60,665	60,666	1
Total Revenues	481,834	481,835	1
EXPENDITURES			
Current:			
Instruction:			
Regular programs	838	838	0
Other instructional programs	62,906	62,912	(6)
Support services:			
General administration	13,205	13,205	0
School administration	20,350	20,353	(3)
Business services	269	270	(1)
Plant services	398,672	398,679	(7)
Student transportation services	13,071	13,072	(1)
Capital Outlay	43,671	43,671	0
Debt service:			
Principal retirement	16,044	16,044	0
Interest and bank charges	103	103	0
Total Expenditures	569,129	569,147	(18)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(87,295)	(87,312)	(17)
FUND BALANCE AT BEGINNING OF YEAR	186,004	186,004	0
FUND BALANCE AT END OF YEAR	\$ 98,709	\$ 98,692	\$ (17)



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-2

\*\*\*\*\*WARD 2 - ORANGE MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 47,252	\$ 47,252	0
Interest earnings	2,471	2,472	1
State sources: Other	22,531	22,531	0
Total Revenues	72,254	72,255	1
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	8,923	8,924	(1)
Support services:			
Instructional staff support	262	262	0
General administration	1,529	1,530	(1)
School administration	65	66	(1)
Business services	13	13	0
Plant services	27,974	27,978	(4)
Student transportation services	4,814	4,815	(1)
Capital Outlay	13,413	13,413	0
Total Expenditures	56,993	57,001	(8)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	15,261	15,254	(7)
FUND BALANCE AT BEGINNING OF YEAR	52,984	52,984	0
FUND BALANCE AT END OF YEAR	\$ 68,245	\$ 68,238	(7)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-3

\*\*\*\*\*WARD 2 - HORNBECK MAINTENANCE\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 28,669	\$ 28,669	\$ 0
Interest earnings	338	339	1
State sources: Other	16,382	16,382	0
Total Revenues	45,389	45,390	1
EXPENDITURES			
Current:			
Instruction:			
Regular programs	29	30	(1)
Other instructional programs	3,421	3,422	(1)
Support services:			
General administration	870	870	0
School administration	5,375	5,376	(1)
Plant services	25,578	25,579	(1)
Student transportation services	5,793	5,794	(1)
Central services	52	52	0
Capital Outlay	36,528	36,529	(1)
Total Expenditures	77,646	77,652	(6)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(32,257)	(32,262)	(5)
FUND BALANCE AT BEGINNING OF YEAR	32,257	10,768	(21,489)
FUND BALANCE AT END OF YEAR	\$ 0	\$ (21,494)	\$ (21,494)

**VERNON PARISH SCHOOL BOARD**  
**NONMAJOR SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Year Ended June 30, 2000**

Exhibit 6-4

\*\*\*\*\*WARD 3 MAINTENANCE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Taxes:			
Ad valorem	\$ 88,287	\$ 88,288	1
Interest earnings	10,859	10,860	1
State sources: Other	<u>9,589</u>	<u>9,589</u>	<u>0</u>
Total Revenues	<u>108,735</u>	<u>108,737</u>	<u>2</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	2,073	2,074	(1)
Other instructional programs	6,010	6,011	(1)
Support services:			
General administration	2,826	2,828	(2)
School administration	161	162	(1)
Plant services	42,473	42,475	(2)
Student transportation services	3,931	3,933	(2)
Capital Outlay	<u>8,137</u>	<u>8,137</u>	<u>0</u>
Total Expenditures	<u>65,611</u>	<u>65,620</u>	<u>(9)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	43,124	43,117	(7)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>178,783</u>	<u>178,783</u>	<u>0</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 221,907</u>	<u>\$ 221,900</u>	<u>(7)</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-5

\*\*\*\*\*WARD 4 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 130,051	\$ 130,051	\$ 0
Interest earnings	6,167	6,168	1
State sources: Other	27,260	27,261	1
Total Revenues	163,478	163,480	2
EXPENDITURES			
Current:			
Instruction:			
Regular programs	2,898	2,899	(1)
Other instructional programs	13,755	13,756	(1)
Support services:			
General administration	3,986	3,987	(1)
School administration	11,676	11,676	0
Plant services	152,785	152,788	(3)
Student transportation services	5,178	5,179	(1)
Capital Outlay	33,907	33,907	0
Total Expenditures	224,185	224,192	(7)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(60,707)	(60,712)	(5)
FUND BALANCE AT BEGINNING OF YEAR	153,569	153,569	0
FUND BALANCE AT END OF YEAR	\$ 92,862	\$ 92,857	\$ (5)



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-6

\*\*\*\*\*WARD 5 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 161,075	\$ 161,075	\$ 0
Interest earnings	7,783	7,783	0
State sources: Other	9,375	9,376	1
Total Revenues	178,233	178,234	1
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,378	1,378	0
Other instructional programs	5,652	5,653	(1)
Support services:			
General administration	5,072	5,073	(1)
School administration	2,883	2,884	(1)
Business services	107	107	0
Plant services	49,724	49,727	(3)
Student transportation services	3,339	3,340	(1)
Capital Outlay	201,825	201,825	0
Total Expenditures	269,980	269,987	(7)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(91,747)	(91,753)	(6)
FUND BALANCE AT BEGINNING OF YEAR	209,751	209,751	0
FUND BALANCE AT END OF YEAR	\$ 118,004	\$ 117,998	\$ (6)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-7

\*\*\*\*\*WARD 6 MAINTENANCE\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 34,684	\$ 34,685	1
Interest earnings	750	744	(6)
State sources: Other	6,472	6,472	0
Total Revenues	41,906	41,901	(5)
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	8,106	8,106	0
Support services:			
General administration	1,039	1,040	(1)
School administration	187	187	0
Plant services	15,092	15,095	(3)
Student transportation services	2,909	2,910	(1)
Capital Outlay	3,665	3,665	0
Total Expenditures	30,998	31,003	(5)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	10,908	10,898	(10)
FUND BALANCE AT BEGINNING OF YEAR	11,892	11,892	0
FUND BALANCE AT END OF YEAR	\$ 22,800	\$ 22,790	(10)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-8

\*\*\*\*\*WARD 7 MAINTENANCE\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 114,037	\$ 114,037	\$ 0
Interest earnings	2,879	2,886	7
State sources: Other	22,991	22,991	0
	<u>139,907</u>	<u>139,914</u>	<u>7</u>
Total Revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	45	45	0
Other instructional programs	7,279	7,280	(1)
Support services:			
General administration	3,597	3,597	0
School administration	500	500	0
Plant services	85,352	85,353	(1)
Student transportation services	55,995	56,007	(12)
Central services	300	300	
Capital Outlay	20,859	20,859	0
	<u>173,927</u>	<u>173,941</u>	<u>(14)</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(34,020)</u>	<u>(34,027)</u>	<u>(7)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	37,579	37,579	0
	<u>37,579</u>	<u>37,579</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)			
NET CHANGE IN FUND BALANCES	3,559	3,552	(7)
FUND BALANCE AT BEGINNING OF YEAR	<u>46,353</u>	<u>46,353</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 49,912</u>	<u>\$ 49,905</u>	<u>\$ (7)</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-9

\*\*\*\*\*WARD 8 MAINTENANCE\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 28,470	\$ 28,471	\$ 1
Interest earnings	508	509	1
State sources: Other	7,953	7,953	0
Total Revenues	36,931	36,933	2
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,378	1,378	0
Other instructional programs	2,161	2,162	(1)
Support services:			
General administration	874	874	0
School administration	897	899	(2)
Plant services	12,392	12,393	(1)
Student transportation services	535	535	0
Capital Outlay	3,870	3,870	0
Total Expenditures	22,107	22,111	(4)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	14,824	14,822	(2)
FUND BALANCE AT BEGINNING OF YEAR	6,286	6,287	1
FUND BALANCE AT END OF YEAR	\$ 21,110	\$ 21,109	\$ (1)



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-10

\*\*\*\*\*OTHER SPECIAL FUNDS\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	\$ 0	\$ 28,394	\$ 28,394
State sources:			
Other	194,650	194,653	3
Federal sources	185,458	217,930	32,471
Total Revenues	380,109	440,977	60,868
EXPENDITURES			
Current:			
Instruction:			
Regular programs	54,732	81,981	(27,249)
Special programs	18,596	18,599	(3)
Other instructional programs	38,222	14,589	23,633
Support services:			
Student services	5,494	9,185	(3,691)
Instructional staff support	67,555	67,557	(2)
General administration	26,357	16,528	9,829
School administration	699	700	(1)
Plant services	3,909	3,909	0
Student transportation services	12,827	12,828	(1)
Central services	171	173	(2)
Capital outlay	194,118	194,118	0
Total Expenditures	422,680	420,167	2,513
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(42,571)	20,810	63,381
OTHER FINANCING SOURCES (USES)			
Transfers in	65,655	0	(65,655)
Transfers out	(328)	0	328
TOTAL OTHER FINANCING SOURCES (USES)	65,327	0	(65,327)
NET CHANGE IN FUND BALANCES	22,756	20,810	(1,946)
FUND BALANCE AT BEGINNING OF YEAR	42	1,973	1,931
FUND BALANCE AT END OF YEAR	\$ 22,798	\$ 22,783	\$ (15)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-11

\*\*\*\*\*JOB TRAINING PARTNERSHIP ACT (JTPA)\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 15,721	\$ 15,721	\$ 0
Total Revenues	15,721	15,721	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	12,403	12,403	0
Special programs	3,318	3,318	0
Total Expenditures	15,721	15,721	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-12

\*\*\*\*\*8G STATE FUNDS\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
State sources:			
Other	\$ 162,265	\$ 163,422	\$ 1,157
Federal sources	6,598	6,600	2
Total Revenues	168,863	170,022	1,159
EXPENDITURES			
Current:			
Instruction:			
Regular programs	24,382	24,385	(3)
Special programs	126,476	127,630	(1,154)
Support services:			
Student services	15,766	15,768	(2)
Instructional staff support	300	300	0
General administration	115	115	0
Capital Outlay	1,824	1,824	0
Total Expenditures	168,863	170,022	(1,159)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-13

\*\*\*\*\*DRUG FREE SCHOOLS\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 57,346	\$ 57,353	\$ 7
Total Revenues	57,346	57,353	7
EXPENDITURES			
Current:			
Instruction:			
Regular programs	4,874	4,875	(1)
Special programs	1,284	1,286	(2)
Support services:			
Student services	25,456	25,458	(2)
Instructional staff support	23,754	23,754	0
General administration	938	939	(1)
School administration	1,040	1,041	(1)
Total Expenditures	57,346	57,353	(7)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-14

\*\*\*\*\*ADULT EDUCATION\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
State sources:			
Other	\$ 103,143	\$ 103,143	0
Federal sources	81,545	81,545	0
Total Revenues	184,688	184,688	0
EXPENDITURES			
Current:			
Instruction:			
Regular programs	5,433	5,433	0
Other instructional programs	99,093	99,093	0
Support services:			
Instructional staff support	79,547	79,547	0
Plant services	615	615	0
Total Expenditures	184,688	184,688	0
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-15

\*\*\*\*\*VOCATIONAL EDUCATION\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 301,701	\$ 301,713	\$ 12
Total Revenues	301,701	301,713	12
EXPENDITURES			
Current:			
Instruction:			
Regular programs	3,735	3,736	(1)
Other instructional programs	170,546	170,552	(6)
Support services:			
Student services	2,073	2,074	(1)
Instructional staff support	37,108	37,111	(3)
General administration	14,210	14,211	(1)
School administration	207	208	(1)
Plant services	1,142	1,142	0
Student transportation services	25	25	0
Central services	26,699	26,698	1
Capital Outlay	45,956	45,956	0
Total Expenditures	301,701	301,713	(12)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-16

\*\*\*\*\*SPECIAL EDUCATION\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 19,736	\$ 20,098	\$ 362
Federal sources	683,872	684,086	214
Total Revenues	703,608	704,184	576
EXPENDITURES			
Current:			
Instruction:			
Regular programs	9,029	9,032	(3)
Special programs	149,019	149,220	(201)
Other instructional programs	139	23,779	(23,840)
Support services:			
Student services	126,165	126,169	(4)
Instructional staff support	176,051	175,797	254
General administration	10,831	11,091	(260)
Business services	12,365	12,365	0
Plant services	36,244	36,245	(1)
Capital Outlay	184,125	184,125	0
Total Expenditures	703,968	727,823	(23,855)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(360)	(23,639)	(23,279)
OTHER FINANCING SOURCES (USES)			
Transfers in	259	0	(259)
Transfers out	(55,951)	0	55,951
Total Other Financing Sources (Uses)	(55,692)	0	55,692
NET CHANGES IN FUND BALANCES	(56,052)	(23,639)	32,413
FUND BALANCE AT BEGINNING OF YEAR	56,052	23,639	(32,413)
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

**VERNON PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000**

**Exhibit 6-17**

\*\*\*\*\*SCHOOL FOOD SERVICE\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Local sources:			
Interest earnings	\$ 6,341	\$ 6,341	\$ 0
Food services	727,594	727,610	16
State sources:			
Equalization	459,101	459,101	0
Federal sources	2,082,899	2,072,051	(10,848)
 Total Revenues	<u>3,275,935</u>	<u>3,265,103</u>	<u>(10,832)</u>
 <b>EXPENDITURES</b>			
Current:			
Support services:			
General administration	5,000	5,000	0
Business services	15,086	15,087	(1)
Plant services	26,518	26,521	(3)
Student transportation	918	918	0
Food services	3,844,912	3,832,763	12,149
Capital Outlay	2,578	2,578	0
 Total Expenditures	<u>3,895,012</u>	<u>3,882,867</u>	<u>12,145</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>(619,077)</u>	<u>(617,764)</u>	<u>1,313</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	557,246	557,257	11
Operating transfers out	(10)	(75,000)	(74,990)
 Total Other Financing Sources (Uses)	<u>557,236</u>	<u>482,257</u>	<u>(74,979)</u>
 Net change in Fund Balances	<u>(61,841)</u>	<u>(135,507)</u>	<u>(73,666)</u>
 FUND BALANCE AT BEGINNING OF YEAR	<u>64,100</u>	<u>178,299</u>	<u>114,199</u>
 FUND BALANCE AT END OF YEAR	<u>\$ 2,259</u>	<u>\$ 42,792</u>	<u>\$ 40,533</u>



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-18

\*\*\*\*\*FOOD PROCESSING CENTERS\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	\$ 15,667	\$ 15,667	\$ 0
Total Revenues	15,667	15,667	0
EXPENDITURES			
Current:			
Support services:			
Food services	17,669	17,672	(3)
Total Expenditures	17,669	17,672	(3)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(2,002)	(2,005)	(3)
FUND BALANCE AT BEGINNING OF YEAR	9,522	9,522	0
FUND BALANCE AT END OF YEAR	\$ 7,520	\$ 7,517	\$ (3)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-19

\*\*\*\*\*TITLE I\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 1,556,563	\$ 1,556,121	\$ (442)
Total Revenues	1,556,563	1,556,121	(442)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	22,466	22,482	(16)
Special programs	6,776	6,780	(4)
Other instructional programs	1,278,036	1,277,545	491
Support services:			
Student services	52,106	52,111	(5)
Instructional staff support	68,072	68,078	(6)
General administration	45,046	45,048	(2)
Plant services	38,554	38,570	(16)
Capital Outlay	45,507	45,507	0
Total Expenditures	1,556,563	1,556,121	442
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-20

\*\*\*\*\*TITLE VI\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 303,642	\$ 303,642	\$ 0
Total Revenues	<u>303,642</u>	<u>303,642</u>	<u>0</u>
EXPENDITURES			
Current			
Instruction:			
Regular programs	261,268	261,268	0
Support services:			
General administration	4,183	4,183	0
Capital Outlay	<u>38,191</u>	<u>38,191</u>	<u>0</u>
Total Expenditures	<u>303,642</u>	<u>303,642</u>	<u>0</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-21

\*\*\*\*\*MATH AND SCIENCE - TITLE II\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 38,444	\$ 38,445	\$ 1
Total Revenues	38,444	38,445	1
EXPENDITURES			
Current:			
Instruction:			
Regular programs	33,381	33,381	0
Other instructional programs	1,495	1,495	0
Support services:			
General administration	668	669	(1)
Capital Outlay	2,900	2,900	0
Total Expenditures	38,444	38,445	(1)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0



VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-22

\*\*\*\*\*GOALS 2000\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 13,171	\$ 13,171	0
Federal sources	2,354	2,500	146
Total Revenues	15,525	15,671	146
EXPENDITURES			
Current:			
Instruction:			
Regular programs	15,489	15,492	(3)
Support services:			
General administration	36	36	0
Total Expenditures	15,525	15,528	(3)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	143	143
FUND BALANCE AT BEGINNING OF YEAR	341	0	(341)
FUND BALANCE AT END OF YEAR	\$ 341	\$ 143	\$ (198)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-23

\*\*\*\*\*SALES TAX\*\*\*\*\*

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Other	\$ 216,414	\$ 216,042	\$ (372)
Total Revenues	216,414	216,042	(372)
EXPENDITURES			
Current:			
Support services:			
General administration	91,484	91,489	(5)
Business services	4,017	4,017	0
Plant services	4,745	4,748	(3)
Central services	6,725	6,725	0
Total Expenditures	106,971	106,979	(8)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	109,443	109,063	(380)
OTHER FINANCING SOURCES (USES)			
Transfers out	(105,886)	(105,886)	0
TOTAL OTHER FINANCING SOURCES (USES)	(105,886)	(105,886)	0
NET CHANGE IN FUND BALANCES	3,557	3,177	(380)
FUND BALANCE AT BEGINNING OF YEAR	17,377	17,751	374
FUND BALANCE AT END OF YEAR	\$ 20,934	\$ 20,928	\$ (6)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000

Exhibit 6-24

\*\*\*\*\*HEAD START\*\*\*\*\*

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 1,103,348	\$ 1,103,370	\$ 22
Total Revenues	1,103,348	1,103,370	22
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,983	1,984	(1)
Special programs	884,018	882,946	1,072
Support services:			
Instructional staff support	153,522	153,527	(5)
General administration	5,000	22,131	(17,131)
Plant services	19,019	19,024	(5)
Student transportation services	2,383	2,385	(2)
Central services	225	225	0
Capital Outlay	20,063	20,063	0
Total Expenditures	1,086,213	1,102,285	(16,072)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	17,135	1,085	(16,050)
OTHER FINANCING SOURCES (USES)			
Transfers out	(17,130)	0	17,130
Total Other Financing Sources (Uses)	(17,130)	0	17,130
Net Change in Fund Balances	5	1,085	1,080
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 5	\$ 1,085	\$ 1,080

**VERNON PARISH SCHOOL BOARD**

**NONMAJOR SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Year Ended June 30, 2000**

Exhibit 6-25

\*\*\*\*\*PRESCHOOL\*\*\*\*\*

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
State sources:			
Other	\$ 284,138	\$ 284,138	\$ 0
Federal sources	<u>163,830</u>	<u>163,838</u>	<u>8</u>
Total Revenues	<u>447,968</u>	<u>447,976</u>	<u>8</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular programs	278,703	278,706	(3)
Special programs	96,316	96,320	(4)
Other instructional programs	607	608	(1)
Support services:			
Instructional staff support	17,888	17,883	5
General administration	2,249	2,251	(2)
School administration	259	259	0
Plant services	19	20	(1)
Student transportation services	1,309	1,311	(2)
Capital Outlay	<u>50,618</u>	<u>50,618</u>	<u>0</u>
Total Expenditures	<u>447,968</u>	<u>447,976</u>	<u>(8)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	0	0	0
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



**Vernon Parish School Board**

**Nonmajor Debt Service Funds**

Ward No. 1  
Ward No. 2 - Orange  
Ward No. 2 - Hornbeck  
Ward No. 3  
Ward No. 4  
Ward No. 5  
Ward No. 6  
Ward No. 7  
Ward No. 8

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

NONMAJOR DEBT SERVICE FUNDS  
Combining Balance Sheet  
June 30, 2000

	WARD 1	WARD 2 - ORANGE	WARD 2 - HORNBECK	WARD 3
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,732	\$ 4,440	\$ 5,078	\$ 2,304
Investments	78,562	128,311	29,691	149,569
Receivables	4,162	7,672	13,887	2,030
<b>TOTAL ASSETS</b>	<u>87,456</u>	<u>140,423</u>	<u>48,656</u>	<u>153,903</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	105	0	0	0
Interfund payable	0	0	0	0
<b>Total Liabilities</b>	<u>105</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Reserved for debt service	87,351	140,423	48,656	153,903
<b>Total Fund Balances</b>	<u>87,351</u>	<u>140,423</u>	<u>48,656</u>	<u>153,903</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 87,456</u>	<u>\$ 140,423</u>	<u>\$ 48,656</u>	<u>\$ 153,903</u>

Exhibit 7

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
\$ 6,661	\$ 3,105	\$ 2,395	\$ 7,150	\$ 1,980	\$ 37,845
928	542,374	144,868	338,934	108,340	1,521,577
14,942	3,548	4,652	5,440	5,760	62,093
22,531	549,027	151,915	351,524	116,080	1,621,515
0	0	0	0	0	105
25,607	0	0	0	0	25,607
25,607	0	0	0	0	25,712
(3,076)	549,027	151,915	351,524	116,080	1,595,803
(3,076)	549,027	151,915	351,524	116,080	1,595,803
\$ 22,531	\$ 549,027	\$ 151,915	\$ 351,524	\$ 116,080	\$ 1,621,515

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**NONMAJOR DEBT SERVICE FUNDS**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2000**

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
<b>REVENUES</b>				
Local sources:				
Taxes:				
Ad valorem	\$ 110,673	\$ 142,756	\$ 150,664	\$ 56,232
Interest earnings	5,793	9,381	2,757	9,638
Other	0	0	157	0
	<u>116,466</u>	<u>152,137</u>	<u>153,578</u>	<u>65,870</u>
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Current:				
Support services:				
Business services	3,515	4,628	4,577	1,755
Debt service:				
Principal retirement	120,000	110,000	92,000	25,000
Interest and bank charges	32,644	58,809	54,796	58,000
Advance refunding escrow	0	0	0	0
	<u>156,159</u>	<u>173,437</u>	<u>151,373</u>	<u>84,755</u>
<b>Total Expenditures</b>				
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(39,693)	(21,300)	2,205	(18,885)
<b>FUND BALANCES - BEGINNING</b>	<u>127,044</u>	<u>161,723</u>	<u>46,451</u>	<u>172,788</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 87,351</u>	<u>\$ 140,423</u>	<u>\$ 48,656</u>	<u>\$ 153,903</u>



Exhibit 8

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
\$ 269,777	\$ 385,521	\$ 68,874	\$ 261,754	\$ 135,168	\$ 1,581,419
1,879	23,730	7,371	17,779	7,080	85,408
424	188	0	0	0	769
272,080	409,439	76,245	279,533	142,248	1,667,596
8,270	12,141	2,064	8,301	4,108	49,359
181,000	118,000	28,387	95,000	85,000	854,387
89,069	57,830	70,598	74,763	45,888	542,397
0	0	0	0	0	0
278,339	187,971	101,049	178,064	134,996	1,446,143
(6,259)	221,468	(24,804)	101,469	7,252	221,453
3,183	327,559	176,719	250,055	108,828	1,374,350
\$ (3,076)	\$ 549,027	\$ 151,915	\$ 351,524	\$ 116,080	\$ 1,595,803

## **Vernon Parish School Board**

### **Agency Funds**

**SCHOOL ACTIVITY FUND** The activities of the various individual school accounts are accounted for in the school activity agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

**SCHOLARSHIP FUND** This scholarship agency fund is funded by voluntary employee contributions. The proceeds are used to provide an annual scholarship for an outstanding graduate who plans to major in education.

**SALES TAX FUND** The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Vernon Parish. Upon receipt of sales tax returns and monies, a direct deposit is made into the bank account of the other taxing authorities.

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

AGENCY FUNDS  
Combining Statement of Assets and Liabilities  
June 30, 2000

Exhibit 9

	<u>SCHOOL ACTIVITY FUND</u>	<u>SCHOLARSHIP FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 525,478	\$ 2,930	\$ 528,408
Investments	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	<u>\$ 525,478</u>	<u>\$ 2,930</u>	<u>\$ 528,408</u>
LIABILITIES			
Deposits due others	<u>\$ 525,478</u>	<u>\$ 2,930</u>	<u>\$ 528,408</u>
Total liabilities	<u>\$ 525,478</u>	<u>\$ 2,930</u>	<u>\$ 528,408</u>

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**AGENCY FUNDS**  
**Combining Statement of Changes In Assets and Liabilities**  
**For the Year Ended June 30, 2000**

Exhibit 10

	Balance, Beginning	Additions	Deductions	Balance, Ending
<b>*****SCHOOL ACTIVITY FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 457,076	\$ 2,301,445	\$ 2,233,043	\$ 525,478
Investments	<u>124,756</u>	<u>0</u>	<u>124,756</u>	<u>0</u>
<b>Total Assets</b>	<u>\$ 581,832</u>	<u>\$ 2,301,445</u>	<u>\$ 2,357,799</u>	<u>\$ 525,478</u>
<b>LIABILITIES</b>				
Deposits due others	<u>\$ 581,832</u>	<u>\$ 2,301,445</u>	<u>\$ 2,357,799</u>	<u>\$ 525,478</u>
<b>*****SCHOLARSHIP FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 4,104</u>	<u>\$ 2,424</u>	<u>\$ 3,598</u>	<u>\$ 2,930</u>
<b>LIABILITIES</b>				
Deposits due others	<u>\$ 4,104</u>	<u>\$ 2,424</u>	<u>\$ 3,598</u>	<u>\$ 2,930</u>
<b>*****SALES TAX FUND*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 0</u>	<u>\$ 14,375,054</u>	<u>\$ 14,375,054</u>	<u>\$ 0</u>
<b>LIABILITIES</b>				
Deposits due other taxing authorities	<u>\$ 0</u>	<u>\$ 14,375,054</u>	<u>\$ 14,375,054</u>	<u>\$ 0</u>
<b>*****ALL AGENCY FUNDS*****</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 461,180	\$ 16,678,923	\$ 16,611,695	\$ 528,408
Investments	<u>124,756</u>	<u>0</u>	<u>124,756</u>	<u>0</u>
<b>Total Assets</b>	<u>\$ 585,936</u>	<u>\$ 16,678,923</u>	<u>\$ 16,736,451</u>	<u>\$ 528,408</u>
<b>LIABILITIES</b>				
Deposits due others	\$ 585,936	\$ 2,303,869	\$ 2,361,397	\$ 528,408
Deposits due other taxing authorities	<u>0</u>	<u>14,375,054</u>	<u>14,375,054</u>	<u>0</u>
<b>Total Liabilities</b>	<u>\$ 585,936</u>	<u>\$ 16,678,923</u>	<u>\$ 16,736,451</u>	<u>\$ 528,408</u>



**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**SCHOOL ACTIVITY AGENCY FUND**  
**Schedule of Changes In Deposits Due Others**  
**For the Year Ended June 30, 2000**

Exhibit 11

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
ANACOCO HIGH	\$ 34,220	\$ 185,449	\$ 189,014	\$ 30,655
ANACOCO ELEMENTARY	28,599	57,443	63,296	22,746
EAST LEESVILLE ELEMENTARY	21,284	36,780	44,550	13,514
EVANS	32,586	122,755	131,419	23,922
HICKS	13,068	106,019	96,178	22,909
HORNBECK	14,932	62,653	71,291	6,294
LEESVILLE HIGH	132,001	491,926	502,907	121,020
LEESVILLE JUNIOR HIGH	10,822	108,448	104,982	14,288
NORTH POLK ELEMENTARY	9,089	47,874	44,653	12,310
OPTIONAL SCHOOL	0	5,037	4,241	796
PICKERING HIGH	16,374	172,479	180,897	7,956
PICKERING ELEMENTARY	46,055	119,442	125,455	40,042
PITKIN HIGH	95,411	182,584	184,577	93,398
ROSEPINE HIGH	39,028	228,414	221,261	46,181
ROSEPINE ELEMENTARY	14,914	62,999	70,796	7,117
SIMPSON	29,801	115,657	119,725	25,733
SOUTH POLK ELEMENTARY	19,058	58,369	52,561	24,866
VERNON ELEMENTARY	15,822	114,362	120,767	9,417
WEST LEESVILLE ELEMENTARY	<u>8,768</u>	<u>22,775</u>	<u>29,229</u>	<u>2,314</u>
TOTAL	<u>\$ 581,832</u>	<u>\$ 2,301,445</u>	<u>\$ 2,357,799</u>	<u>\$ 525,478</u>

**Vernon Parish School Board**

**General Capital Asset Information**

Schedule of General Capital Assets - By Source

Schedule of Changes in General Capital Assets - By Function

Schedule of General Capital Assets - By Function

The above-identified schedules include the information previously reported in the general fixed assets account group.

**VERNON PARISH SCHOOL BOARD**  
Leesville, Louisiana

**SCHEDULE OF GENERAL CAPITAL ASSETS -  
BY SOURCE  
June 30, 2000**

Exhibit 12

**GENERAL CAPITAL ASSETS:**

Land	\$ 1,201,870
Buildings	39,951,213
Furniture and Equipment	<u>9,025,916</u>

**TOTAL GENERAL CAPITAL ASSETS**

**\$ 50,178,999**

**INVESTMENT IN GENERAL CAPITAL ASSETS:**

Balance, June 30, 1987	\$ 32,661,906
Subsequent to June 30, 1987:	
From General Fund	3,111,505
From Maintenance Funds	10,956,240
From Federal Funds	3,027,009
From School Food Service Fund	<u>422,339</u>

**TOTAL INVESTMENT IN GENERAL CAPITAL ASSETS**

**\$ 50,178,999**

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS -  
BY FUNCTION

Exhibit 13

For the Year Ended June 30, 2000

<u>FUNCTION</u>	<u>BALANCE, BEGINNING</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE, ENDING</u>
Instruction	\$ 43,247,012	\$ 1,052,973	\$ 61,490	\$ 44,238,495
General Administration	1,985,614	84,321	41,195	2,028,740
Plant Services	499,587	213,225	0	712,812
Student Transportation	210,270	0	0	210,270
School Food Service	<u>2,896,490</u>	<u>92,192</u>	<u>0</u>	<u>2,988,682</u>
 TOTAL GENERAL CAPITAL ASSETS	 <u>\$ 48,838,973</u>	 <u>\$ 1,442,711</u>	 <u>\$ 102,685</u>	 <u>\$ 50,178,999</u>



VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

SCHEDULE OF GENERAL CAPITAL ASSETS -  
BY FUNCTION

June 30, 2000

Exhibit 14

<u>FUNCTION</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>FURNITURE AND EQUIPMENT</u>
Instruction	\$ 44,238,495	\$ 1,201,870	\$ 36,591,868	\$ 6,444,757
General Administration	2,028,740	0	1,119,782	908,958
Plant services	712,812	0	0	712,812
Student Transportation	210,270	0	0	210,270
School Food Service	<u>2,988,682</u>	<u>0</u>	<u>2,239,563</u>	<u>749,119</u>
 TOTAL GENERAL CAPITAL ASSETS	 <u>\$ 50,178,999</u>	 <u>\$ 1,201,870</u>	 <u>\$ 39,951,213</u>	 <u>\$ 9,025,916</u>

Vernon Parish School Board

General

Exhibit 15

Schedule of Compensation Paid Board Members  
For the Year Ended June 30, 2000

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, and the president receives \$900 per month for performing the duties of his office.

Linda West, President	\$ 10,200
Alvin C. "Chuck" Dowden, Jr.	9,600
Willis A. Farris	9,600
Philip L. Gunn	9,600
B. R. Harvey	9,600
M. Gene Haymon	9,600
Jane Holton	9,600
C. A. Hughes	9,600
Benard McKee	4,800
Gaye McKee	4,800
Murphy O'Banion	4,800
Ted Paris	9,600
W. W. "Bill" Parker	10,200
Kim Reese	9,600
Mark H. Smith	9,600
Betty Westerchil	<u>9,600</u>
TOTAL	<u>\$140,400</u>

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# STATISTICAL SECTION

Table 1

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

General Expenditures By Function - All Governmental Fund Types  
Fiscal Year Ended June 30, 1991 through June 30, 2000

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<b>Current:</b>										
<b>Instruction</b>										
Regular programs	\$ 15,720,006	\$ 21,139,666	\$ 20,261,090	\$ 19,327,193	\$ 21,419,880	\$ 19,879,963	\$ 20,326,278	\$ 22,591,690	\$ 23,156,460	\$ 23,900,755
Special programs	3,794,621	5,951,604	7,049,246	6,295,524	8,426,359	8,281,757	7,118,602	7,010,231	8,530,402	8,735,778
Other instructional programs			350,561	1,544,866	1,222,926	2,074,205	3,300,499	4,621,013	3,944,395	3,717,206
<b>Support services</b>										
Student services	782,855	1,719,986	1,558,696	1,625,338	1,845,810	1,759,578	1,765,352	1,990,586	2,287,819	2,432,470
Instructional staff support	1,137,292	1,621,959	1,697,699	2,006,966	2,251,219	2,212,921	2,167,309	2,371,153	2,356,556	2,358,776
General administration	9,626,624	589,019	917,252	1,154,216	1,199,673	1,547,055	1,145,272	1,470,942	1,225,003	1,377,629
School administration		1,886,487	2,119,629	2,558,345	2,675,738	2,794,075	2,637,416	2,832,716	2,734,292	3,089,327
Business services	7,462,781	888,678	293,080	382,195	429,765	399,657	398,683	476,634	434,782	524,833
Plant services		3,917,367	4,467,986	4,748,897	4,912,181	4,641,655	4,679,651	4,939,685	5,299,717	5,424,293
Student transportation services		3,495,571	3,364,924	3,942,982	4,037,535	4,025,802	3,956,429	4,326,081	4,186,257	4,092,734
Central services	1,343,982	115,042	126,036	166,207	161,574	212,461	151,983	184,251	227,943	385,528
<b>Food services</b>		3,118,525	3,146,669	3,472,498	3,696,347	3,555,957	3,841,239	3,868,241	3,965,158	3,973,686
<b>Community service programs</b>		39,738	13,125	20,299	7,071	3,470	900	900	1,466	5,067
<b>Capital Outlay</b>		112,975	74,523	1,293,215	4,888,064	1,366,447	1,048,406	308,170	803,785	1,442,711
<b>Debt Services:</b>										
Principal retirement	593,410	525,000	569,520	678,861	807,583	804,621	705,204	877,331	849,514	870,431
Interest and bank charges	1,115,966	1,002,406	1,002,175	842,575	794,503	804,566	745,554	701,504	574,364	542,500
<b>Advance refunding escrow</b>								139,994		
<b>Total Expenditures</b>	<u>\$ 41,553,547</u>	<u>\$ 46,126,023</u>	<u>\$ 47,012,211</u>	<u>\$ 50,260,177</u>	<u>\$ 58,776,228</u>	<u>\$ 54,374,190</u>	<u>\$ 53,808,777</u>	<u>\$ 58,711,122</u>	<u>\$ 60,577,913</u>	<u>\$ 62,873,724</u>

## Notes:

(1) Effective for the 1991-1992 fiscal year, financial reporting was changed to mirror the main reporting categories as used in preparing the Annual Financial and Statistical Report which is filed with the Louisiana Department of Education.



Table 2

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

General Revenues By Source - All Governmental Funds  
Fiscal Years Ended June 30, 1991 through June 30, 2000

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Revenues from local sources:										
Ad valorem taxes	\$ 3,109,004	\$ 2,773,467	\$ 3,134,192	\$ 3,105,055	\$ 3,067,637	\$ 2,970,502	\$ 3,152,582	\$ 3,253,684	\$ 3,150,679	\$ 3,663,007
Sales and use taxes (1)	2,520,608	4,476,788	4,577,358	4,882,592	5,063,735	5,608,037	6,473,895	7,816,490	6,931,159	7,081,312
Interest earnings	425,947	303,772	223,974	245,281	226,654	257,425	375,229	464,775	419,978	484,683
Food services	687,539	786,935	687,917	711,245	705,601	743,812	713,616	738,408	739,704	727,610
Other	36,529	83,842	147,389	184,874	572,057	239,010	281,635	346,793	361,595	816,404
Total revenues from local sources	6,779,627	8,424,804	8,770,830	9,129,047	9,635,684	9,818,786	10,996,957	12,620,150	11,603,115	12,773,016
Revenues from state sources	26,012,611	26,804,822	29,076,533	30,691,165	32,793,180	33,248,650	35,057,709	36,133,251	38,143,443	37,957,283
Revenues from federal sources	9,086,263	9,598,428	9,524,697	10,770,544	14,151,165	10,521,861	8,724,547	10,925,677	10,404,814	12,224,285
Total Revenues	\$ 41,878,501	\$ 44,828,054	\$ 47,372,060	\$ 50,590,756	\$ 56,580,029	\$ 53,589,297	\$ 54,779,213	\$ 59,679,078	\$ 60,151,372	\$ 62,954,584

## Notes:

(1) The School Board has collected a 1% sales tax since 1973. Effective July 1, 1991, an additional 1% sales tax is being collected by the School Board.

Table 3

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections		Total Tax, Interest and Penalty Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
				Delinquent Taxes	Interest and Penalty				
1990-91	\$ 2,958,239	\$ 2,826,804	95.6%	\$ 102,419	\$ 4,552	\$ 2,933,775	99.2%	\$ 39,240	1.3%
1991-92	2,709,182	2,701,980	99.7%	10,938	18,025	2,730,943	100.8%	N/A	N/A
1992-93	3,048,228	3,025,232	99.2%	26,806	10,917	3,062,955	100.5%	51,962	1.7%
1993-94	3,037,221	3,008,323	99.0%	25,714	11,014	3,045,051	100.3%	55,240	1.8%
1994-95	2,937,328	2,918,759	99.4%	13,554	3,190	2,935,503	99.9%	71,460	2.4%
1995-96	2,983,562	2,852,180	95.6%	21,347	8,441	2,881,968	96.6%	110,922	3.7%
1996-97	3,069,674	2,937,551	95.7%	23,348	20,039	2,980,938	97.1%	113,628	3.7%
1997-98	3,164,317	3,135,680	99.1%	26,706	11,438	3,173,824	100.3%	146,201	4.6%
1998-99	3,305,382	3,114,761	94.2%	34,165	1,753	3,150,679	95.3%	152,048	4.6%
1999-00	3,464,787	3,600,378	103.9%	59,083	3,546	3,663,007	105.7%	40,729	1.2%

Source: Vernon Parish Tax Assessor

N/A: Information not available

Table 4

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Assessed and Estimated Actual Value of Taxable Property (1)  
Last Ten Calendar Years

Year	Real Property		Personal Property		Exemptions (2)		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Real Property		Assessed Value	Estimated Actual Value	
1990	\$ 69,589,900	\$ 541,753,163	\$ 8,135,350	\$ 54,235,667	\$ 26,791,560	\$	\$ 50,933,690	\$ 595,988,830	8.5%
1991	70,600,610	551,452,378	7,848,330	52,322,200	27,697,540		50,751,400	603,774,578	8.4%
1992	72,850,660	568,579,121	8,621,290	57,475,267	27,604,050		53,867,900	626,054,388	8.6%
1993	73,728,927	573,827,442	9,874,050	65,827,000	27,553,348		56,049,629	639,654,442	8.8%
1994	75,415,510	589,912,667	10,122,020	67,480,133	29,002,170		56,535,360	657,392,800	8.6%
1995	77,427,310	605,780,982	10,612,040	70,746,933	29,728,590		58,310,760	676,527,915	8.6%
1996	82,239,710	639,360,580	11,536,890	76,912,600	30,568,150		63,208,450	716,273,180	8.8%
1997	86,989,940	681,434,734	15,953,830	106,358,867	30,720,370		72,223,400	787,793,601	9.2%
1998	94,227,860	769,874,896	12,710,950	58,382,267	30,945,470		75,993,340	828,257,163	9.2%
1999	96,832,240	792,693,282	13,655,560	64,411,267	31,304,880		79,182,920	857,104,549	9.2%

## Notes:

- (1) Total assessed value is 10% to 25% of estimated actual value.
- (2) Homestead exemption is \$75,000 estimated actual value (\$7,500 assessed value) per household.
- (3) Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor

Table 5

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Property Tax Rates and Tax Levies - All Direct and Overlapping Governments  
Last Ten Calendar Years

Tax Rates per \$1,000 of Assessed Value						Tax Levies						
Year	Parish	Sheriff	School	City of		Total	Parish	Sheriff	School	City of		Total
				Leesville	Water District					Leesville	Water District	
1990	88.89	17.94	10.51	19.84	0.00	137.18	1,683,168	1,353,976	4,784,994	426,558	0	8,248,696
1991	91.87	17.94	10.61	20.38	10.00	150.80	1,740,056	1,407,378	4,452,290	448,798	34,205	8,082,727
1992	96.20	17.94	10.87	19.71	42.00	186.72	2,062,917	1,461,616	4,874,623	448,259	182,655	9,030,070
1993	101.50	17.94	10.87	25.01	53.00	208.32	2,425,278	1,499,847	4,779,759	589,991	225,342	9,520,217
1994	101.60	17.94	10.87	25.31	71.00	226.72	2,502,348	1,534,552	4,664,524	609,458	307,625	9,618,507
1995	102.60	17.94	10.87	26.31	71.00	228.72	2,655,243	1,579,435	4,709,972	640,580	321,528	9,906,758
1996	102.60	17.94	10.87	26.31	68.00	225.72	2,868,513	1,682,356	4,819,435	657,572	329,012	10,356,888
1997	119.26	17.94	10.87	27.97	60.00	236.04	3,266,964	1,781,470	4,823,488	699,051	316,637	10,887,610
1998	119.35	17.94	10.87	28.06	57.25	233.47	3,601,238	1,918,487	4,837,164	695,364	302,378	11,354,631
1999	119.35	17.94	10.87	28.06	57.25	233.47	3,761,003	1,982,155	4,969,345	724,221	312,365	11,749,089

Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor



Table 6

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Ratio of Net General Obligation Bonded Debt  
to Assessed Value and Net General Obligation Bonded Debt per Capita

Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (2)	Less Debt		Net Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
			Gross Bonded Debt	Service Funds			
1990-91	61,961	\$ 77,725,250	\$ 13,896,520	\$ 1,470,131	\$ 12,426,389	16.0%	201
1991-92	62,509	78,448,940	13,311,520	1,209,442	12,102,078	15.4%	194
1992-93	63,385	81,471,950	12,742,000	1,381,415	11,360,585	13.9%	179
1993-94	59,584	83,602,977	14,338,000	1,344,044	12,993,956	15.5%	218
1994-95	56,083	85,537,530	13,530,417	1,306,208	12,224,209	14.3%	213
1995-96	54,303	88,039,350	12,725,795	1,254,110	11,471,685	13.0%	211
1996-97	52,989	93,776,600	12,046,482	1,427,728	10,618,754	11.3%	200
1997-98	47,229	102,943,770	11,195,139	1,289,670	9,905,469	9.6%	210
1998-99	51,894	106,938,810	10,372,752	1,374,349	8,998,403	8.4%	173
1999-00	51,567	110,487,800	9,518,365	1,595,803	7,922,562	7.2%	154

Notes:

(1) Source: Northeast Louisiana University, Center for  
Business & Economic Research

(2) From Table 4 - total of real property and personal property assessed value.

Table 7

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Statement of Direct, Overlapping, and Underlying General Obligation Bonded Debt  
June 30, 2000

Name of Governmental Unit	Net Debt Outstanding	Percentage Applicable to This Unit	School Board's Share of Debt (2)
<b>DIRECT:</b>			
Vernon Parish School Board (3)	\$ 7,922,562	100%	\$ 7,922,562
<b>Overlapping:</b>			
Vernon Parish Police Jury (3)	3,138,271	100%	3,138,271
Vernon Parish Sheriff (3)	1,080,533	100%	1,080,533
City of Leesville (3)	2,952,104	14%	413,295
<b>Total</b>	<b>\$ 15,093,470</b>		<b>\$ 12,554,661</b>

## Notes:

- (1) Various taxing districts exist within Vernon Parish that involve a small percentage of Parish taxpayers. These districts' debt is not included.
- (2) This represents the debt of all the constituents who reside within Vernon Parish.
- (3) Financial information extracted from Annual Financial Report of respective governments.

Table 8

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Computation of Legal Debt Margin  
June 30, 2000

Assessed value (1)	\$ 110,487,800
Debt limitation - 35 percent of assessed value	38,670,730
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 9,518,365
Less: Assets in debt service funds	<u>1,595,803</u>
Total amount of debt applicable to debt limit	<u>7,922,562</u>
Legal debt margin	<u>\$ 30,748,168</u>

Notes:

(1) Vernon Parish Tax Assessor

Table 9

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Ratio of Annual Debt Service Expenditures for  
General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Bank Charges	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1990-91	\$ 599,410	\$ 1,115,966	\$ 1,715,376	\$ 41,583,547	4.13%
1991-92	525,000	1,002,406	1,527,406	46,126,023	3.31%
1992-93	569,520	1,002,175	1,571,695	47,012,211	3.34%
1993-94	878,861	842,575	1,721,436	50,260,177	3.43%
1994-95	807,583	794,503	1,602,086	58,776,228	2.73%
1995-96	804,621	804,566	1,609,187	54,374,190	2.96%
1996-97	679,313	740,856	1,420,169	53,808,777	2.64%
1997-98	851,003	697,243	1,548,246	58,711,122	2.64%
1998-99	849,514	574,364	1,423,878	60,577,913	2.35%
1999-00	854,387	542,500	1,396,887	62,873,724	2.22%

Notes:

(1) Includes all governmental funds.



Table 10

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Demographic Statistics  
Last Ten Calendar Years

Calendar Year	Population (1)	Per Capita Income (1)	Median Age	School Enrollment (2)	Unemployment Rate (1)
1990	61,961	\$ 10,614	N/A	12,247	6.3%
1991	62,509	11,569	N/A	12,437	6.9%
1992	63,385	12,048	N/A	11,629	8.6%
1993	59,584	13,090	N/A	11,397	8.5%
1994	56,083	13,622	N/A	11,576	9.6%
1995	54,303	14,072	24.7	11,320	7.4%
1996	52,989	14,601	28	10,877	7.2%
1997	47,229	17,213	28	10,291	6.5%
1998	51,894	18,326	N/A	10,637	6.2%
1999	51,567	18,837	N/A	10,029	7.2%

Notes:

(1) Source: Northeast Louisiana University, Center for  
Business & Economic Research

(2) Source: Louisiana School Directory

N/A: Information not available

N/A: Information not available

Table 11

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Property Value, Construction and Bank Deposits  
Last Ten Calendar Years

Calendar Year	Property Value			Commercial Construction (1)		Residential Construction (1)		Bank Deposits (2)
	Commercial	Residential	Exemptions	Total	Number of Units	Value	Number of Units	
1990	\$ 161,754,867	\$ 434,233,963	\$ 26,791,560	\$ 569,197,270	12	\$ 1,338,997	29	\$ 888,066 \$ 122,614
1991	161,969,347	441,805,232	27,697,540	576,077,039	4	2,101,316	61	2,040,442 162,293
1992	169,936,933	456,117,455	27,604,050	598,450,338	13	281,714	165	1,023,943 146,630
1993	187,478,730	452,175,712	27,553,348	612,101,094	19	530,697	76	1,576,162 157,030
1994	186,529,533	470,863,267	29,002,170	628,390,630	13	1,710,319	131	1,920,410 153,249
1995	277,655,947	398,871,969	29,728,590	646,799,326	79	570,741	45	1,466,505 150,587
1996	287,474,767	428,798,414	30,568,150	685,705,031	2	175,000	2	105,000 149,212
1997	273,598,147	514,195,454	30,720,370	757,073,231	39	6,437,700	26	90,000 N/A
1998	393,623,133	434,634,029	30,945,470	797,311,692	16	3,952,360	46	1,551,505 150,682
1999	417,624,147	439,480,402	31,304,880	825,799,668	10	1,411,340	5	190,000 151,148

## Notes:

(1) Source: City of Leesville

(2) Source: Northeast Louisiana University, Center for Business &amp; Economic Research

N/A: Information not available

Table 12

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Principal Ad Valorem Taxpayers  
December 31, 1999

Name	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Union Pacific Resources Company	Transportation	\$ 5,497,330	4.98%
Bell South Telecommunications	Public Utility	4,871,570	4.41%
Swift Energy Company	Public Utility	4,084,550	3.68%
Cleco Corporation	Public Utility	3,433,900	3.11%
Merchants & Farmers Bank	Bank	2,079,630	1.88%
Boise Cascade Corporation		2,020,660	1.83%
Eott Energy Pipeline Ltd.	Oil & gas	1,957,680	1.77%
Beauregard Electric Co-op, Inc.	Public Utility	1,727,010	1.56%
Crosby Land & Resources		1,287,910	1.17%
Valley Electric Membership Corporation	Public Utility	1,212,550	1.10%
Totals		<u>\$ 28,152,790</u>	<u>25.48%</u>

Source: Vernon Parish Tax Assessor

Table 13

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Principal Employers  
June 30, 2000

Name of Business	Type of Business	Number of Employees
Fort Polk Military Base	Armed Services	4,700
Vernon Parish School Board	Education	1,454
Bayne-Jones Army Community Hospital	Medical	401
Wal-Mart Discount Store	Retail	227
Byrd Regional Hospital	Medical	225
Vernon Parish Police Jury	Government	160
Vernon Parish Sheriff's Department	Law Enforcement	145
Community Care Center of Leesville	Medical	120
McDonald's	Fast Food Chain	115
City of Leesville	Government	110

Source: City of Leesville,  
Economic Development Office

Table 14

VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana

Attendance Data  
Fiscal years ended June 30, 1990 through June 30, 2000

Fiscal Year	Number of Graduates	Average Daily Membership	Average Daily Attendance		
			Amount	Percent of Change	Percent of Membership
1990	500	11,516	11,033	1.67%	95.81%
1991	529	11,922	11,406	3.38%	95.67%
1992	529	12,151	11,576	1.49%	95.27%
1993	453	9,993	9,499	-17.94%	95.06%
1994	486	10,992	10,448	9.99%	95.05%
1995	518	10,881	10,305	-1.37%	94.71%
1996	487	10,815	10,155	-1.46%	93.90%
1997	487	9,478	8,948	-11.89%	94.41%
1998	537	10,583	10,034	12.14%	94.81%
1999	484	10,710	10,094	0.60%	94.25%
2000	547	10,029	9,474	-6.14%	94.47%

Source: School Board Child Welfare and Attendance Department

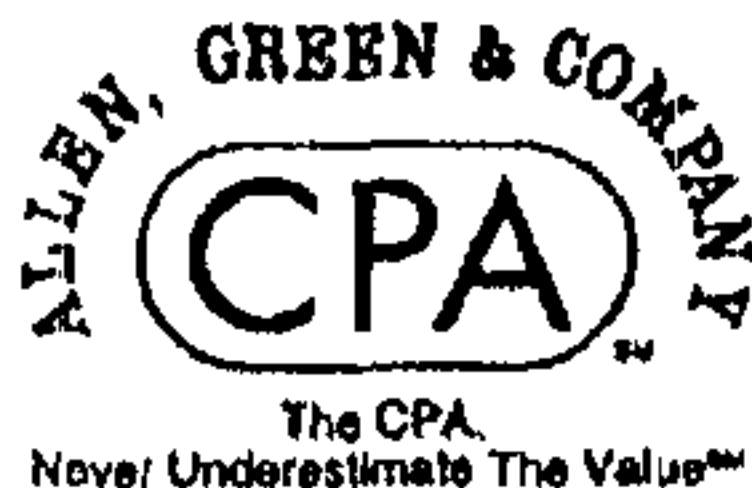


**Vernon Parish School Board  
Leesville, Louisiana**

**Compliance with Single Audit Act Amendment of 1996  
And Other Information  
For the Year Ended June 30, 2000**

**Vernon Parish School Board  
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## **Report on Compliance And on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

Board Members  
Vernon Parish School Board  
Leesville, Louisiana

We have audited the financial statements of Vernon Parish School Board, Leesville, Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated November 15, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Management Letter Items

However, we noted one immaterial instance of noncompliance which we have reported to management of the School Board in a separate letter dated November 15, 2000, included later in this report.

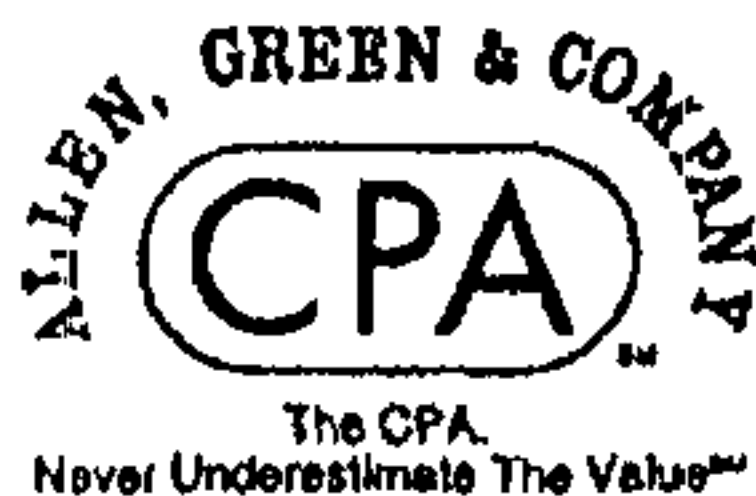
In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
November 15, 2000



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## Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members  
Vernon Parish School Board  
Leesville, Louisiana

### Compliance

We have audited the compliance of Vernon Parish School Board, Leesville, Louisiana, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB Circular No. A-133 Compliance Supplement) that are applicable to each of its major federal programs for the year ended June 30, 2000. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as Item 00-F1.

### Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.



Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the School Board, as of and for the year ended June 30, 2000, and have issued our report thereon dated November 15, 2000. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
November 15, 2000



**Vernon Parish School Board**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2000**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</b>	<b>CFDA Number</b>	<b>Pass-Through Grantor No.</b>	<b>Expenditures</b>
<b>CASH FEDERAL AWARDS</b>			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
National School Lunch Program	10.555	N/A	\$ 1,511,208
School Breakfast Program	10.553	N/A	361,975
Summer Food Program for Children	10.559	N/A	12,422
Passed Through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	<u>301,428</u>
Total United States Department of Agriculture			<u>2,187,033</u>
United States Department of Education			
Direct Programs:			
Impact Aid - Maintenance and Operation	84.041	N/A	5,232,586
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program	84.002	N/A	81,545
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.010	00-IASA-58-I	1,556,121
Special Education:			
State Grants - Part B	84.027	00-FT58	684,086
Preschool Grants	84.173	00-PF58	97,498
Part H - Infant/Toddler	84.181	00-IH-58-s	6,600
Vocational Education:			
Basic Grants to States	84.048	28-00-58B/BG2000	101,624
Tech-Prep Education	84.243	TP 28-00-CL-3-PE	165,933
School to Work	84.UKN	N/A	118,027
Innovative Education Program			
Strategies - Title VI	84.298	00-IASA-58-VI	54,616
Eisenhower Professional Development			
State Grants - (Title II)	84.281	00-IASA-58-II	38,445
Title IV (Safe and Drug-Free Schools)	84.186	00-IASA-58-IV	57,353
Goals 2000 - State and Local			
Education Systematic Improvement Grants	84.276	5276A50018-95	2,500
Technology Literacy Challenge	84.318X	00-LCF-58-F	36,691
Class Size Reduction	84.340	00-01-58-6	<u>249,026</u>
Total United States Department of Education			<u>8,482,651</u>
United States Department of Health and Human Services			
Direct program - Head Start	93.600	06CH5622/30	1,171,238
Passed Through the Louisiana Department of Education:			
Payments to States for Child Care Assistance			
(Starting Points Preschool)	93.575	N/A	<u>66,340</u>
Total United States Department of Health and Human Services			<u>1,237,578</u>
United States Department of Labor			
Passed Through the Fifth Planning District Consortium:			
Job Training Partnership Act (JTPA)	17.250	N/A	<u>15,721</u>
United States Department of Defense			
Direct Programs:			
Department of The Army			
JROTC	12.609	N/A	<u>85,356</u>

**Vernon Parish School Board  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2000**

**Other Cash Federal Awards**

Passed Through the Louisiana Department of Education:

Unisys	NONE	N/A	<u>29,500</u>
<b>TOTAL CASH FEDERAL AWARDS</b>			<u><b>12,037,839</b></u>

**NONCASH FEDERAL AWARDS**

**United States Department of Agriculture**

Passed Through Louisiana Department of Agriculture and Forestry:

Food Distribution Program (Commodities)	10,550	N/A	<u>186,446</u>
<b>TOTAL NONCASH FEDERAL AWARDS</b>			<u><b>186,446</b></u>
<b>TOTAL FEDERAL AWARDS</b>			<u><b>\$12,224,285</b></u>

**Vernon Parish School Board**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2000**

**NOTE 1 - GENERAL** The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Vernon Parish School Board, Leesville, Louisiana. The Vernon Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

**NOTE 2 - BASIS OF ACCOUNTING** The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's general-purpose financial statements.

**NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS** Federal awards revenues are reported in the School Board's general-purpose financial statements as follows:

<u>Federal Sources</u>	
General	\$ 5,619,370
Special Revenue:	
Other Special	217,930
Job Training Partnership Act (JTPA)	15,721
8 G State Funds	6,600
Drug Free Schools	57,353
Adult Education	81,545
Vocational Education	301,713
Special Education	684,086
School Food Service	2,072,051
Title I	1,556,121
Title VI	303,642
Math and Science - Title II	38,445
Goals 2000	2,500
Head Start	1,103,370
Preschool	163,838
Total	<u>\$12,224,285</u>

**NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS** Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

**NOTE 5 - MATCHING REVENUES** For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

**NOTE 6 - NONCASH PROGRAMS** The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Vernon Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2000**

**PART I - Summary of the Auditors' Results**

**Financial Statement Audit**

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

**Audit of Federal Awards**

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed an audit finding which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal awards are:

CFDA #84.010	Title I Grants to Local Educational Agencies Basic Grant Program
CFDA #93.600	Head Start
CFDA #84.243	Tech-Prep Education
CFDA #84.340	Class Size Reduction
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular No. A-133, Section .520(b) was \$366,729.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.

**Vernon Parish School Board  
Schedule of Findings and Questioned Costs  
As of and For the Year Ended June 30, 2000**

**PART III- Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):**

**Reference # and title:**                      **00-F1**                      **Funding Levels for Headstart**

**Federal program and specific federal award identification:**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME</b>	<b><u>CFDA Number</u></b>	<b><u>Pass-Through Grantor No.</u></b>	<b><u>Federal Award Year</u></b>
United States Department of Health and Human Services Direct Program - Headstart	93.600	06CH5622/33	2000

**Criteria or specific requirement:** According to guidelines for the Headstart program (45 CFR 1305.2) enrollment levels must adhere to the levels specified in the financial assistance award.

**Condition found:** Enrollment levels during the year fluctuated. Four months were selected for testing the enrollment levels. The levels fluctuated from 260 to 274 for those four months. The funded enrollment level for the year was 283.

**Possible asserted effect (cause and effect):**

**Cause:** Unknown.

**Effect:** The enrollment levels for the Headstart program appear to be less than the funded enrollment.

**Recommendations to prevent future occurrences:** Actual enrollment should be monitored closely to ensure that the funded enrollment levels are maintained.



**Vernon Parish School Board  
Summary Schedule of Prior Audit Findings  
June 30, 2000**

**Finding reference #:**                      **99-1**                      **Inadequate Controls in Sales Tax Department**

**Initially occurred:**

**Condition:** The sales tax manager collected cash and also recorded the cash collections. Installment agreement collections were also handled by the manager. The School Board was unaware of the amount of cash collected because all the transactions involving cash were handled by the sales tax manager. In July 1999 the School Board discovered that some cash collections were not deposited.

The sales tax department processes sales tax forms in batches. The bank deposit for each batch should include either a check or a cash receipt for each sales tax form in that batch. Cash was included usually on the last batch of the month. These deposits which included cash were reconciled to the batch of forms at the sales tax office for that deposit. In performing this reconciliation sales tax forms were found with no corresponding deposit in the bank account and checks were deposited into the bank account with no corresponding form in the sales tax office.

**Corrective action taken:** The School Board implemented a policy of not accepting cash. Posters informing the public of this new policy were placed on the entrance to the sales tax office. The sales tax manager position was abolished and direct supervision of the sales tax department was placed under the Director of Finance.

**Vernon Parish School Board  
Corrective Action Plan for Current-Year Findings and Questioned Cost  
As of and For the Year Ended June 30, 2000**

**Reference # and title:**                      **00-F1**                      **Funding Levels for Headstart**

**Condition:** According to guidelines for the Headstart program (45 CFR 1305.2) enrollment levels must adhere to the levels specified in the financial assistance award. Enrollment levels during the year fluctuated. Four months were selected for testing the enrollment levels. The levels fluctuated from 260 to 274 for those four months. The funded enrollment level for the year was 283.

**Corrective action planned:** Enrollment levels will be closely monitored to ensure the funding level is maintained.

**Person responsible for corrective action:**

Dr. Cindy Gillespie  
Director of Curriculum  
Vernon Parish School Board  
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Leesville, LA 71446

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**Anticipated completion date:** June 30, 2001



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## Management Letter

Board Members  
Vernon Parish School Board  
Leesville, Louisiana

In planning and performing our audit of the general-purpose financial statements of the Vernon Parish School Board for the year ended June 30, 2000, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated November 15, 2000, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### 00-M1 Advertising for bids

**Comment:** In reviewing bids for compliance with the public bid law (LSA R.S. 38:2211 - 38:2213) we noted a bid which was not advertised in the official journal although quotes were taken. Bids for materials and supplies must be advertised twice in the official journal and bids for public works must be advertised three times.

**Recommendation:** Responsibility for advertising bids should be assigned if someone is not already responsible for ensuring that approved advertisements for bids are placed in the official journal within the time period required by the public bid law.

**Management's response:** Responsibility for advertising bids has been assigned.

\* \* \* \* \*

We have performed no audit work to verify the content of the responses.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist. This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Allen, Green & Company, LLP*

ALLEN, GREEN & COMPANY, LLP

Monroe, Louisiana  
November 15, 2000

**Vernon Parish School Board  
Status of Prior Management Letter Items  
June 30, 2000**

**99-M1    General Ledger System**

**Comment:** The general ledger system was developed by an outside service company with input from the school board accounting personnel. The School Board has hired a computer programmer with the goal of bringing the system in-house. Technical support is still provided by the service company on products which were developed by them but the service company has notified management that no new products will be developed by them for the School Board.

**Management Action Taken:** The School Board presently has a contract with a firm to provide support for the general ledger system and develop new products as needed.

**99-M2    Declaration of Emergency**

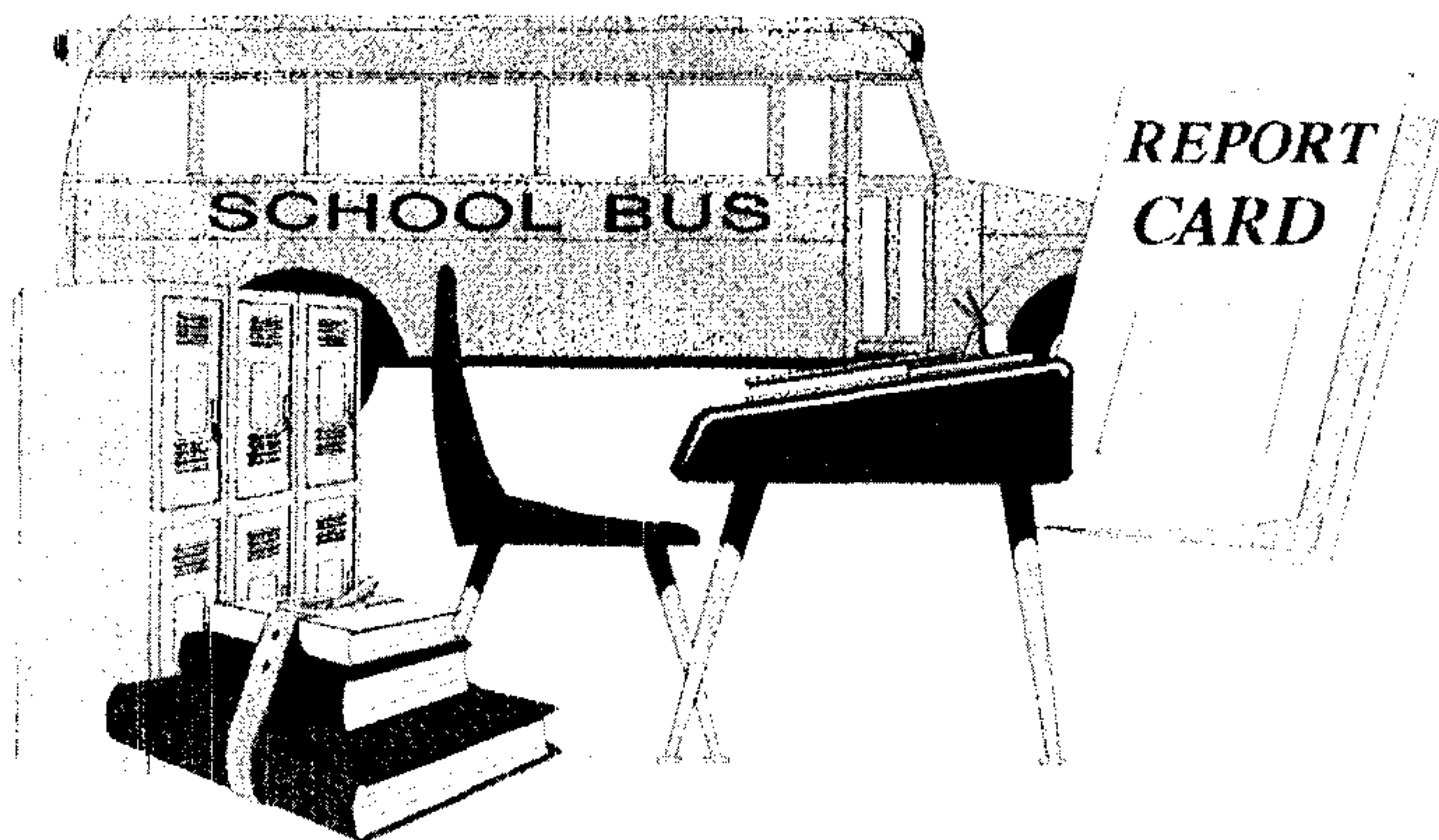
**Comment:** On July 7, 1998, the School Board declared an emergency for Leesville High School's auditorium air-conditioning. LSA-R.S. 38:2212(D) states that notice of such public emergency shall, within ten days thereof, be published in the official journal. The School Board did not publish the notice within the required number of days.

**Management Action Taken:** The School Board publishes any notices of emergency within the ten days required by state law.

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

(Prepared Pursuant to GASB Statement No. 34  
"New Financial Reporting Model")

FOR THE YEAR ENDED JUNE 30, 2000



VERNON PARISH SCHOOL BOARD  
Leesville, Louisiana